

CALIFORNIA HORSE RACING BOARD
1010 HURLEY WAY, SUITE 300
SACRAMENTO, CA 95825
(916) 263-6000
FAX (916) 263-6042



REGULAR MEETING

of the California Horse Racing Board will be held on Thursday, September 27, 2007, commencing at **9:00 a.m.**, at the Arcadia City Hall, 240 West Huntington Drive, Arcadia, California. **The meeting will open at 9:00 a.m., then the Board will adjourn into Executive Session with the regular meeting commencing at approximately 10:00 a.m.**

AGENDA

Action Items:

1. Approval of the minutes of the regular meeting of August 21, 2007.
2. Discussion and action by the Board on the **Application to Conduct a Horse Racing Meeting of the Pacific Racing Association (T) at Golden Gate Fields**, commencing November 7, 2007 through December 22, 2007, inclusive.
3. Discussion and action by the Board on the **Application to Conduct a Horse Racing Meeting of the Hollywood Park Racing Association, LLC (T) at Hollywood Park**, commencing November 7, 2007 through December 22, 2007, inclusive.
4. Public hearing and action by the Board on the adoption of the **proposed addition of CHRB Rule 1843.3, Penalties for Medication Violations** and the **proposed amendment to CHRB Rule 1843.2, Classification of Drug Substances**.
5. Public hearing and action by the Board on the **proposed addition of: Article 10.5, Mule Racing**, to provide an Article unique to mule racing; **CHRB Rule 1747, Mule Racing Rules**, to specify that mule races must adhere to Board rules in general, but rules unique to mules will be placed under Article 10.5, and **CHRB Rule 1748, Shoeing Mules**, to provide that mules may run unshod.
6. Discussion and action by the Board on the **proposed adoption of the CHRB Conflict of Interest and Ethics Code**.
7. Discussion and action by the Board **regarding the adoption of the 2008, 2009 and 2010 race dates calendar**.
8. Discussion and action by the Board **regarding penalties and or procedures concerning late and/or non-reporting of first time geldings**.

9. Discussion and action by the Board regarding the feasibility of allowing a horse, that has not started for a minimum of 180 days since its last race to be entered in a claiming race and declared ineligible to be claimed.
10. Discussion by the Board regarding the renewal of licenses for existing Advanced Deposit Wagering (ADW) providers.
11. Discussion and action by the Board on the Application for Approval to Conduct Advanced Deposit Wagering (ADW) of Churchill Downs Technology Initiatives Company dba twinspires.com., for an out-of-state multi-jurisdictional wagering hub, from January 1, 2008 to December 31, 2010.
12. Discussion and action by the Board regarding establishing a uniform policy for criteria to be used in determining races that are exempt or considered designated races from jockey suspensions.
13. Discussion and action by the Board regarding jockeys being named to more than one horse in any race, and multiple horses that are entered by one trainer or owner in a stakes race wherein they agree to only run one horse in such race.
14. Staff report on the following concluded race meets:
 - A. **Hollywood Park Racing Association** at Hollywood Park from April 25, 2007 through July 15, 2007.
 - B. **San Joaquin County Fair** at Stockton from June 14, 2007 through June 24, 2007.
 - C. **Alameda County Fair** at Pleasanton from June 27, 2007 through July 8, 2007.
 - D. **Sonoma Solano Wine Country Racing** at Solano County Fair from July 11, 2007 through July 25, 2007 continuing at Santa Rosa County Fair from July 18, 2007 through August 6, 2007.
15. Report of the **Strategic Planning Committee**.
16. **Public Comment:** Communications, reports, requests for future actions of the Board.
Note: Persons addressing the Board under this item will be restricted to **five (5) minutes** for their presentation.
17. **Closed Session:** For the purpose of receiving advice from counsel, considering pending litigation, reaching decisions on administrative licensing and disciplinary hearings, and personnel matters, as authorized by Section 11126 of the Government Code.
 - A. Personnel. To evaluate the performance of the CHRB's Executive Director, as authorized by Government Code section 11126, subdivision (a).
 - B. The Board may convene a Closed Session to confer with and receive advice from its legal counsel regarding the pending litigation described in the attachment to this agenda captioned "Pending Litigation," as authorized by Government Code section 11126(e).

Additional information regarding this meeting may be obtained from the CHRB Administrative Office, 1010 Hurley Way, Suite 300, Sacramento, CA 95825; telephone (916) 263-6000; fax (916) 263-6042. This notice is located on the CHRB website at www.chrb.ca.gov. *Information for requesting disability related accommodation for persons with a disability who require aid or services in order to participate in this public meeting, should contact Jacqueline Wagner.

CALIFORNIA HORSE RACING BOARD

Richard B. Shapiro, Chairman
John C. Harris, Vice Chairman
John W. Amerman, Member
John Andreini, Member
Jesse H. Choper, Member
Marie G. Moretti, Member
Jerry Moss, Member
Ingrid J. Fermin, Executive Director

PROCEEDINGS of the Regular Meeting of the **California Horse Racing Board** held at the **San Luis Rey Downs Training Center**, 5772 Camino Del Rey, Bonsall, California, on **August 21, 2007**.

Present: Richard B. Shapiro, Chairman
John C. Harris, Vice-Chairman
John W. Amerman, Member
John Andreini, Member
Ingrid J. Fermin, Executive Director
Derry L. Knight, Deputy Attorney General

MINUTES

Chairman Shapiro asked for approval of the minutes of the Regular Meeting of July 19, 2007.

Commissioner Amerman **motioned** to approve the minutes. Vice-Chairman Harris **seconded** the motion, which was **unanimously carried**.

DISCUSSION BY THE BOARD CONCERNING THE FUTURE OF THE SAN LUIS REY DOWNS TRAINING CENTER.

Frank DeMarco, representing San Luis Rey Downs (SLRD), spoke about Magna Entertainment Corporation's ownership of SLRD. The facility was leased back to SLRD Thoroughbred Training Center, Inc. The lease had an evergreen clause, which could be renewed from year to year in the absence of any party giving notice otherwise. Vice-Chairman Harris asked how the property was zoned. Mr. DeMarco said SLRD was zoned for exactly what it was: a training center. If any party wished to develop the property, it would take many years before entitlements were granted. Courtney Berlin spoke on behalf of Supervisor Bill Horne's office. Margaret Morgan of the Bonsall Sponsor Group (BSG) spoke regarding the BSG's support for the continued use of SLRD as a training facility. Ms. Morgan stated most

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of the property was zoned for large lots, but a small corner was zoned for higher density. If anything was to be built on that corner, the BSG hoped for high-density housing, or a boutique hotel to serve visiting horse owners. Vice-Chairman Harris asked if there were any plans to improve roads entering the facility. Ms. Morgan reviewed scheduled improvements to highways 78 and 76, but stated the service road entering SLRD would remain two lanes with pocket turns. Chairman Shapiro said it was difficult for SLRD to make economic sense in its current situation. He asked if there were any subsidies or redevelopment funds that could be identified and that would help the property remain viable. Ms. Morgan stated she was unaware of any such funds, but that was something that could be investigated. She added if the outlying edges of SLRD were developed, the community would like to see the training facility remain available. Chairman Shapiro commented the industry also wanted to see SLRD remain open. That was why he enquired about a public/private partnership that could help keep the facility open and available to horse racing. Ms. Morgan said the BSG would be happy to meet with anyone who had ideas regarding the future of SLRD. Commissioner Amerman asked if the BSG intended to meet with MI Developments, Inc., the owner of SLRD. Ms. Morgan stated the BSG had not had any conversations with MI Developments, but it was always willing to meet. Commissioner Amerman stated a conversation might be appropriate because one party could have different objectives, and it would be helpful to have some contact. Vice-Chairman Harris asked if the community would support a satellite wagering facility at SLRD. Ms. Morgan stated she did not know about the zoning for such a facility.

Proceedings of the Regular Board Meeting of August 21, 2007**DISCUSSION AND ACTION BY THE BOARD ON THE APPLICATION FOR LICENSE TO CONDUCT A HORSE RACING MEETING OF THE OAK TREE RACING ASSOCIATION (T) AT SANTA ANITA, COMMENCING SEPTEMBER 26 THROUGH NOVEMBER 4, 2007, INCLUSIVE.**

Jacqueline Wagner, CHRB staff, said the Oak Tree Racing Association (OTRA) proposed to run 31 days for a total of 266 races. OTRA would run concurrent with Fresno District Fair and Bay Meadows Racing Association. The first post time would be 1:00 p.m. weekdays and 12:30 p.m. weekends and holidays. Ms. Wagner stated the advance deposit wagering (ADW) providers would be TVG and XpressBet. Staff recommended the Board approve the application as presented. Chairman Shapiro asked if YouBet would also be an ADW provider for OTRA. Chuck Champion of YouBet.com said his organization was a sublicense through the TVG contract. He stated YouBet intended to promote the OTRA meeting, and offer wagers on OTRA events. A conversation regarding ADW providers for OTRA ensued, and Mr. Champion explained how XpressBet and YouBet could take wagers on OTRA despite TVG's exclusivity. Chairman Shapiro asked why the average purse was down compared to 2006. Mike Harlow of OTRA stated with the longer meeting the daily average was less. However, new projections indicated OTRA purses could almost equal 2006 purses. Vice-Chairman Harris said the OTRA meeting would be the first one on Santa Anita's new cushion track. He asked if OTRA would write the same book as 2006. Mr. Harlow said OTRA would start with the same book, but it would remain flexible and see what happened with the new track surface. Chairman Shapiro said he noted OTRA was requesting the option of 10 races on opening day, weekends and October 8. He stated he was concerned about the effect of permitting too many races, and the depletion of the horse inventory. Chairman Shapiro said perhaps the Board should think about mandating a certain number of entries. Short fields were

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counter productive, and when OTRA closed Hollywood Park's fields would be depleted. Mr. Harlow said if OTRA could not fill the tenth race, it would not run a short field. Vice-Chairman Harris stated he could see the merit of a ten-race card, because it gave the association a chance to increase the bottom line. However, it could impact future race cards. Mr. Barr stated OTRA would withdraw its request for an option to run ten races on Monday, October 8, 2007. Chairman Shapiro asked if there were any issues with ADW that could interfere with wagering. Mr. Barr stated there were no issues to his knowledge. Alan Gutterman of OTRA spoke about his organization's plans to market the race meeting. Vice-Chairman Harris asked when horses could ship from Del Mar to Santa Anita and begin training on the new cushion track. Mr. Barr stated horses could ship in no later than September 10, 2007. Ron Charles of Santa Anita said the training track would be available, and Santa Anita would keep in touch with Del Mar to let it know if there was a delay. Chairman Shapiro asked how Santa Anita was doing with its barn repairs. Mr. Charles said there were 24 carpenters working six days a week repairing stall interiors. The work would probably last until the first week of January 2008. Jack Liebau of Hollywood Park stated his organization had no objections to OTRA running its proposed ten race cards. He stated Southern California racing secretaries did a good job of policing themselves and taking care of inventory. Hollywood Park believed the flexibility to write races needed to stay with the racing secretaries. Commissioner Amerman said at the claiming crown races at Ellis Park an exception was made and each of the ADW providers took wagers. The result was the largest handle ever at Ellis Park. He asked if there was an opportunity for XpressBet to accept wagers on the OTRA meeting – as an experiment – to see if using three ADW entities affected the handle. Mr. Barr

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stated Sherwood Chillingworth approached TVG regarding the issue and was denied that privilege. Commissioner Amerman said experience showed a broad distribution resulted in larger handles. It would seem that the industry could talk to TVG and reach a conclusion. Mr. Barr said a good number of TVG's exclusive contracts would expire in the near future, which meant such conversations would occur. Commissioner Amerman asked if the Board could attempt to talk to TVG once more. Chairman Shapiro said a couple commissioners could attempt a meeting, but there was pending legislation and the industry was working on the issue. He stated earlier attempts were unsuccessful, but the issue should be kept alive. Commissioner Amerman **motioned** to approve the application for license to conduct a horse racing meeting of OTRA. Vice-Chairman Harris **seconded** the motion, which was **unanimously carried**.

DISCUSSION AND ACTION BY THE BOARD ON THE APPLICATION FOR LICENSE TO CONDUCT A HORSE RACING MEETING OF THE BIG FRESNO FAIR (F) AT FRESNO, COMMENCING OCTOBER 3 THROUGH OCTOBER 14, 2007, INCLUSIVE.

Jacqueline Wagner, CHRB staff, said the Fresno District Fair (FDF) proposed to run 11 days, the same number of days as in 2006, for a total of 94 races, one less race than in 2006. FDF would run concurrent with Oak Tree Racing Association and Bay Meadows Racing Association. The first post would be 12:37 p.m. Saturday and Sunday; 1:30 p.m. Friday, and 1:15 p.m. Monday, Wednesday and Thursday. The advance deposit wagering providers would be TVG, XpressBet and YouBet. Ms. Wagner stated staff recommended the Board approve the application as presented. Daniel White of FDF spoke about the improvements made to the racing fair facility. In 2007 over a half million dollars in improvements were implemented,

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and over the past five years \$2.2 million in capital improvements were made. Mr. White stated in 2006 FDF closed with handle up 9 percent over 2005. FDF was approaching 2007 with the same enthusiasm. Vice-Chairman Harris **motioned** to approve the application for license to conduct a horse racing meeting of FDF. Commissioner Amerman **seconded** the motion, which was **unanimously carried**.

PUBLIC HEARING AND ACTION BY THE BOARD ON THE PROPOSED AMENDMENT OF CHRB RULE 1486, TERM OF LICENSE, TO SET THE TERM FOR THE BACKSTRETCH EVENT PERSONNEL LICENSE CLASSIFICATION.

Jacqueline Wagner, CHRB staff, said the proposed amendment to Board Rule 1486, Term of License, would add backstretch event personnel to the classes of license that expired on an annual basis. During the 45-day public comment period a comment was received from Local 1877 (Local 1877) of the Service Employees International Union. Ms. Wagner explained the concerns expressed in the Local 1877 letter. She stated that Hollywood Park and Santa Anita developed a draft of policies and guidelines relating to backstretch event personnel hiring and training procedures. Ms. Wagner said staff recommended the Board adopt the proposed amendment as presented. Vice-Chairman Harris stated there were probably some labor/management issues involving backstretch event personnel, but the Board was only setting the term of the license, and did not need to become involved. Chairman Shapiro agreed the Board was only setting the term of the license. He stated he read the draft submitted by Hollywood Park and Santa Anita and found it informative and useful. Vice-Chairman **motioned** to adopt the amendment to Board Rule 1486. Commissioner Amerman **seconded** the motion, which was **unanimously carried**.

Proceedings of the Regular Board Meeting of August 21, 2007**UPDATE AND DISCUSSION BY THE BOARD ON THE LEGISLATIVE BILLS CONCERNING CALIFORNIA'S HORSE RACING INDUSTRY.**

Chairman Shapiro said the Legislative session would close in the near future and there were a number of bills that were active. Senate Bill (SB) 873 by Senator Flores, was one bill that would create some immediate relief and give the industry a chance to adapt to changing times. Vice-Chairman Harris stated the bill would have a chance if the industry were completely in support, but it did not appear that would happen in 2007. Drew Couto of Thoroughbred Owners of California (TOC) stated there was a significant portion of the industry that was working to pass SB 873. He stated the industry would work on the bill until the Legislature was out. Chairman Shapiro asked how the Board could help move the legislation. Mr. Couto said the key to moving the bill forward was gaining the support of leaders of the Legislature and the Governor. He added the funding would come from the compacts, not the General Fund, so its passage would be contingent on their enactment. Vice-Chairman Harris said he thought the compacts were approved. Mr. Couto said that was correct, but how the monies derived from the compacts would be spent had not been decided. Richard Castro of Local 280 spoke about his concerns regarding the financial health of the industry. Vice Chairman Harris asked about Assembly Bill 813, which dealt with advance deposit wagering (ADW). Mr. Couto said the industry spent a lot of time working on a version of the bill. The version that emerged from Assemblyman Portantino's office essentially gutted the industry version and was not, in TOC's view, favorable. The industry wrote amendments to that bill, and it was not clear how the issue would be resolved if Assemblyman Portantino did not support them. Chairman Shapiro asked how, in its current form, the bill handled exclusivity. Mr. Couto stated it did not prohibit any exclusive contracts. In the industry version concurrence of the

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horsemen and the racing association was required to have exclusivity for wagering or television. Chairman Shapiro asked if the horsemen's representatives were to be a part of the decision making process. Mr. Couto said the current language allowed that. Vice-Chairman Harris said he was concerned that the Legislative session might end without any ADW legislation. Mr. Couto stated no one in the industry wanted to move into 2008 without an ADW bill. However, if such a bill was unfair to the industry and denied the largest stakeholders a seat at the table, he did not think a bill would pass until such issues were corrected. Richard Castro of Local 280 spoke about his concerns regarding ADW legislation. Chairman Shapiro reviewed a number of bills that dealt with horse racing issues.

**DISCUSSION AND ACTION BY THE BOARD ON THE NOMINATION OF MEMBERS
TO THE BOARD OF DIRECTORS OF THE CALIFORNIA THOROUGHBRED
HORSEMEN'S FOUNDATION, INC.**

Roberto Zavala, CHRB staff, said under Board Rule 2049, Designation and Approval of Horsemen's Welfare Fund, the Board must approve the directors of the welfare fund. He stated the California Thoroughbred Horsemen's Foundation (CTHF) submitted a request for approval of five individuals who were nominated to its board. The individuals were: Noble Threewitt, Ken Smole, Cliff Goodrich, George Nicholaw and Lynda Ross. Staff reviewed the CTHF request, and recommended the Board approve it as presented. Vice-Chairman Harris **motioned** to approve the request by CTHF. Commissioner Amerman **seconded** the motion, which was **unanimously carried**.

Proceedings of the Regular Board Meeting of August 21, 2007**DISCUSSION AND ACTION BY THE BOARD CONCERNING GRANTING THE EXECUTIVE DIRECTOR AND THE CHAIRMAN OF THE BOARD THE AUTHORITY TO EXECUTE AND APPROVE SETTLEMENTS INVOLVING MEDICATION VIOLATIONS FOR CLASS I, II AND III DRUG SUBSTANCES.**

Chairman Shapiro said the item would grant the Board Chairman and the Executive Director the authority to approve settlements, with the approval of the stewards. Vice-Chairman Harris said the item ratified current policy. However, the Board should be informed and have a due diligence period to approve settlements, and if a settlement was approved, the Board should be notified and informed regarding the criteria for the resolution. Chairman Shapiro agreed the Board should be fully informed. Executive Director Ingrid Fermin explained current practice regarding the adjudication of settlements. She stated the only change to the practice was that the Board Chairman would be informed prior to the finalization of any settlement. Vice-Chairman Harris said the item clarified current practice, but the Board needed to be informed, and if a settlement proposal involved a Class I violation, the entire Board should decide the issue. Chairman Shapiro said the proposal could be changed to address Class II and Class III cases only. Ed Halpern of California Thoroughbred Trainers spoke about his concerns regarding the proposal. He stated it should be clear that settlements were subject to the approval of the stewards or a hearing officer. Chairman Shapiro said the settlements would go back to the stewards for concurrence. He stated no one party should be so powerful that they reach a settlement without the agreement from another entity. Deputy Attorney General (DAG) Derry Knight said no delegation by the Board could give away its decision making authority. The item only added the Chairman of the Board to the persons who participated in negotiating settlements. The final decision would rest with the board of stewards, or if the stewards rejected the settlement, the full Board, excluding whomever participated in the

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settlement negotiations. Mr. Halpern said the administrative law judge (ALJ) should be included in the mix, if possible. DAG Knight said the ALJ did not make decisions. All the ALJ did was make a recommendation. That recommendation would go to the Board for final decision, as the ultimate authority was the Board. Marsha Naify of Thoroughbred Owners of California asked if there would still be negotiated settlements when the new penalty guidelines went into effect, and would those settlements be public? Executive Director Fermin said "yes" to both questions. Commissioner Andreini **motioned** to grant the Executive Director and Board Chairman the authority to execute and approve settlements involving Class II and Class III medication violations, excluding Class I medication violations, which would appear before the full Board before any settlement was entered into. Vice-Chairman Harris **seconded** the motion, which was **unanimously carried**.

DISCUSSION AND ACTION BY THE BOARD CONCERNING HOST FEE COMPLIANCE AS PER BUSINESS AND PROFESSIONS CODE SECTION 19604.

Roberto Zavala, CHRB staff, said Business and Professions (B&P) Code Section 19604 authorized advance deposit wagering (ADW). B&P Code Subsection 19604(b) provided that licensed California ADW providers could deduct up to 6.5 percent of the amount handled on a race, plus a fee to be paid to the host racing association not to exceed 3.5 percent. Mr. Zavala states the issue of how much an out-of-state host can charge a California ADW provider for host fees was raised. An out-of-state host requested host fees greater than 3.5 percent from an approved California ADW provider. Chairman Shapiro said the Breeders' Cup charged around 9 percent for its signal. Steve Schwartz of the Breeders' Cup stated that was correct. Chairman Shapiro said California law limited the amount an ADW provider could pay for the

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signal to 3.5 percent. Mr. Schwartz said the Board's interpretation of the law was incorrect. Chairman Shapiro commented the bottom line was that Monmouth Park was the racetrack, but Breeders' Cup was acting as the host in some contractual agreements, and YouBet was being asked to pay Breeders' Cup 9 percent. Mr. Schwartz said that was correct. Chuck Champion of YouBet.com said California limited the amount paid in host fees. Breeders' Cup had, in the past, recognized California's 3.5 percent cap on wagers coming from California. In 2006 Breeders' Cup charged 9 percent. It also asked YouBet to sign an agreement stipulating it would not violate any laws. Mr. Champion said the agreement was signed and returned to Breeders' Cup. He stated B&P Code Section 19604(b) clearly provided that under no conditions would a host fee in excess of 3.5 percent be paid. Mr. Champion stated the hub fee was not to exceed 6.5 percent, but it was always negotiated down from that amount. That was what YouBet was compensated to take the wagers. However, the law stated YouBet was not to pay over 3.5 percent in host fees; those were two separate issues. The amount that was in dispute was 48 to 50 thousand dollars. Mr. Champion said if the Board gave YouBet relief from B&P Code Section 19604(b) he would write a check. He added it was not a matter of YouBet not wanting to pay the fee, or Breeders' Cup being undeserving, it was a matter of the law and the document YouBet signed stating it would not break any laws. Deputy Attorney General (DAG) Derry Knight said the statute provided the Board with some latitude to interpret its application if there was a dispute regarding its meaning. The issue was whether the statute limited the host fee to 3.5 percent, or if it limited the amount the provider could retain out of the monies as reimbursement for what it paid, whether it was 3.5 percent or 10 percent. DAG Knight commented the statute could or could not be a 3.5 percent cap on what

was allowed in the provider's contracting. Mr. Schwartz said the statute limited what could be taken out of a wagering dollar from a California resident for the purpose of making sure there was sufficient money left to pay associations a market access fee, simulcast wagering facilities a mitigation fee and other fees as provided by statute. He stated the statute could not be interpreted to provide that the Board could tell an association they were limited to certain percentage of what they could negotiate in a contract with an ADW provider. Mr. Schwartz said he could not imagine the Legislative intent was to provide the Board with veto authority over the price at which every racing jurisdiction in the nation could sell its product. Chairman Shapiro said the Board did not disagree, but the issue was if California ADW providers could only receive 3.5 percent to take the signal. If that were the case, the provider would lose money. Mr. Schwartz said the statute provided that ten cents out of every California wagering dollar could be used for something other than paying winning wagers and market access fees. Of that 10 percent, the ADW provider could only receive 6.5 percent as a maximum. The statute also provided that up to 3.5 percent could go to the host association. Mr. Schwartz stated there was nothing that said the ADW provider was precluded from negotiating part of that revenue in an agreement to pay compensation to the host association outside California. Chairman Shapiro said if the provider paid Breeders' Cup nine cents out of the 10 cents, it would only have one cent left, where was the money after deductions to pay purse benefits. Mr. Champion commented that assumed a 6.5 percent hub fee. YouBet never received that much, so if Chairman Shapiro's interpretation were correct it would lose money on every California wager it took. Vice-Chairman Harris asked how long the problem existed, as ADW had been around for three and a half years. Mr. Schwartz said the issue emerged from the

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2006 Breeders' Cup where YouBet paid the difference between the contract price and the 3.5 percent host fee. Drew Couto of Thoroughbred Owners of California (TOC) stated YouBet operated at a 4.5 percent hub fee, and if it was paying 3.5 percent it was short in the total compensation to be paid to Breeders' Cup. He added the issue was addressed in pending ADW legislation. Commissioner Amerman asked how the issue was any different than what happened in 2006. Mr. Champion said the issue originated with Breeders' Cup asking YouBet to sign an affidavit that all the laws of the various states would not be broken. In the past YouBet probably violated B&P Code 19604(b) and paid the fees. Now, Churchill Downs intended to file a lawsuit for the \$50,000, and all YouBet wanted was for the Board to state it was not a violation of the law to pay the 3.5 percent. If that were done YouBet would pay the fee and negotiate an agreement for 2007. Ken Kirchener of Breeders' Cup explained how his organization formulated its commission. He said based on California's ADW statute Breeders' Cup believed it was allowed to receive a possible 10 percent. Chairman Shapiro said he was not clear regarding the meaning of the statute. He stated as he read it, the law was limiting. Chairman Shapiro asked DAG Knight to provide the Board with an opinion in the near future.

DISCUSSION AND ACTION BY THE BOARD ON THE PROPOSED ADOPTION OF THE CHRB CONFLICT OF INTEREST AND ETHICS CODE.

Assistant Executive Director, Richard (Bon) Smith, stated Business and Profession (B&P) Code Section 19423, et seq., provided guidance for the conduct of Commissioners relative to the industry. The Fair Political Practices Commission (FPPC) over saw laws and rules that governed the reporting of Commissioners' financial interests and Executive Order 66-2 established a code of ethical standards applicable to gubernatorial appointees. Mr. Smith stated

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recent legislation raised the issue of conflict of interest, and he spoke about actions the Board took regarding the establishment of a conflict of interest and code of ethics policy. He said staff recommended the Board direct staff to complete a final draft of an ethics and conflict of interest policy for future Board ratification. Chairman Shapiro said the item would be deferred until it could be brought back for adoption by the Board.

DISCUSSION BY THE BOARD REGARDING THE FEASIBILITY OF CLOSING WAGERING EARLY FROM SITES THAT DO NOT HAVE INSTANTANEOUS TRANSFERS OF WAGERING INFORMATION TO PREVENT ODDS CHANGES ONCE THE RACE HAS BEGUN.

Chairman Shapiro said late odds changes were an issue raised consistently by patrons who saw odds change after the start of a race. Some patrons believed the phenomenon was the result of wagering after the start of the race; however, it was actually due to the late transmission of wagers into California pools. Chairman Shapiro stated some believed wagering should be shut out when the first horse entered the gate, but that could be controversial, so the question remained: what could be done to get instantaneous transmission of wagers into California's pools? Terry McWilliams of Scientific Games said it was an issue of old technology used to transmit wagering pools to the host track. The method used to transmit wagers created odds changes past the off time. Mr. McWilliams stated individual tote systems could be shut off earlier, but there would be financial repercussions. Chairman Shapiro said win only wagers were batched and transmitted every ten seconds. He asked why the speed at which all wagers were transmitted could not be increased. Mr. McWilliams said one reason was bandwidth and connectivity. There were things that could be done to improve speed, such as the elimination of "double hopping" wherein wagering information was transmitted through more than one

hub within the same state before reaching California's pools. The solution was technology that did not involve batching wagers. Each wager would be sent directly into the host tote. Mr. McWilliams said wagering in California was instantaneous, and most advance deposit wagering companies were also instantaneous; the problem was in other states. Chuck Champion of YouBet stated tracks dictated when the tote closed, and what California's wagering public was seeing was latency in the system. California could improve the situation by letting other jurisdictions know it would not allow double hopping. He said there was no practical or legitimate reason for double hopping, which resulted in batching of commingled wagers from many different entities. Chairman Shapiro stated shutting off wagering when the first horse entered the gate could hurt tracks and purses, but if a solution could not be found, it was something the Board might have to consider. Vice-Chairman Harris said a lot of wagers were made just before the horses broke, and if that option were eliminated it would seriously impact the handle. Mr. Champion said technology allowed average patrons to place a lot of wagers closer to the opening of the gates. The issues should be carefully studied because there was a technological solution as well as a regulatory solution. Chairman Shapiro said the Board should hear what could be done from a technological perspective, and for the integrity of the game the Board would at least look at other options. Ron Charles of Magna Entertainment Corporation said he worked with the Thoroughbred Racing Protective Bureau and in almost every instance of large wagers affecting odds it was not double hopping, as much as late, large robotic players that aligned on the same horse. If two players bet at the same time, and each did not know the other was also wagering large sums, it could cause huge swings in the odds. At the last minute an individual fan could not wager enough money at a window to affect the

odds, but very large gamblers often wager on the same horse. If the Board could work with the tote companies to get the very large wagers into the pool sooner the problem could be mitigated. Chairman Shapiro said he agreed, as the delay in the odds was not fair, did not look good, and was hurting horse racing. Richard Castro of the Pari-Mutuel Employee's Guild spoke regarding the four-second delay and its benefit to pari-mutuel employees.

STAFF MID-YEAR TRACK REPORT ON THE FOLLOWING RACE MEETS:

CONCLUDED RACE MEETS:

- A. PACIFIC RACING ASSOCIATION AT GOLDEN GATE FIELDS FROM DECEMBER 26, 2006 THROUGH FEBRUARY 11, 2007.**
- B. LOS ANGELES TURF CLUB AT SANTA ANITA FROM DECEMBER 26, 2006 THROUGH APRIL 22, 2007.**
- C. BAY MEADOWS RACING ASSOCIATION AT BAY MEADOWS FROM FEBRUARY 14, 2007 THROUGH APRIL 22, 2007.**
- D. PACIFIC RACING ASSOCIATION AT GOLDEN GATE FIELDS FROM APRIL 25, 2007 THROUGH JUNE 10, 2007.**
- E. HOLLYWOOD PARK RACING ASSOCIATION AT HOLLYWOOD PARK FROM APRIL 25, 2007 THROUGH JULY 15, 2007.**
- F. SAN JOAQUIN COUNTY FAIR AT STOCKTON FROM JUNE 14, 2007 THROUGH JUNE 24, 2007.**
- G. ALAMEDA COUNTY FAIR AT PLEASANTON FROM JUNE 27, 2007 THROUGH JULY 8, 2007.**

IN PROGRESS RACE MEETS THROUGH JULY 31, 2007:

- A. SACRAMENTO HARNESS ASSOCIATION AT CAL EXPO FROM DECEMBER 28, 2006 THROUGH JULY 28, 2007.**
- B. LOS ALAMITOS QUARTER HORSE RACING ASSOCIATION AT LOS ALAMITOS FROM DECEMBER 28, 2006 THROUGH DECEMBER 23, 2007.**
- C. SONOMA SOLANO WINE COUNTRY RACING AT SOLANO COUNTY FAIR FROM JULY 11, 2007 THROUGH JULY 15, 2007 CONTINUING AT SANTA ROSA COUNTY FAIR FROM JULY 18, 2007 THROUGH AUGUST 6, 2007.**
- D. DEL MAR THOROUGHBRED RACING ASSOCIATION AT DEL MAR FROM JULY 18, 2007 THROUGH SEPTEMBER 5, 2007.**

Roberto Zavala, CHRB staff, said the report dealt with how the live on-track product was fairing on specific tracks. Chairman Shapiro stated the report would compare the

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2006 live handle of a particular track with the 2007 handle, which would give an indication of how that track's advertising worked to bring fans to the track. Mr. Zavala said that was correct. Vice-Chairman Harris asked if the report indicated a wager made live on other tracks. Mr. Zavala said the host would not get credit, if a wager happened in Southern California and it was made in Northern California, the track in Southern California got credit. The report was a true identifier of how a horse ran on a track. As an example, the San Joaquin County Fair (SJCF) did a 52 percent increase compared to the previous year. A host report would show different numbers because SJCF would get additional monies from other venues. Chairman Shapiro said in 2007 SJCF was not overlapped. If he looked at the numbers he would think SJCF appeared to do 50 percent better by not being overlapped. Mr. Zavala said that was correct. Chairman Shapiro stated another thing to note was that the reports did not reflect attendance, just handle. Mr. Zavala said that was correct. The report showed only on-track live handle for California. Vice-Chairman Harris said the report was encouraging because the entire handle increased. Chairman Shapiro commented that was correct; the handle was up 8.5 percent across the board. However, the question was: what was causing the increase, and could the data be used to figure that out? Chairman Shapiro said the Board appreciated the report, but perhaps the report could dig deeper to find the factors that increased the handle. That could help the Board understand what it should be considering so the industry could benefit from the information.

REPORT OF THE SECURITY AND LICENSING COMMITTEE.

Jacqueline Wagner, CHRB staff, said the Security and Licensing Committee (committee) met on July 20, 2007, to discuss the issue of how large, multiple partnership groups were licensed. The committee explored how the process could be revamped for the licensing of "partnership groups." Ms. Wagner stated the meeting was productive and the committee hoped to have a concrete proposal to review at a future meeting. Chairman Shapiro said in conjunction with the issue, the Board should consider licensing as part of the national licensing compact. Ms. Wagner stated the Board recognized the national licensing compact. Chairman Shapiro asked why a person licensed in another state should have to get a California license if they ship to California to run a horse. Ms. Wagner stated California law required that person to get a license. Vice-Chairman Harris said that was an issue the Board should look into because there was an expense associated with California issuing a license. He stated California should make it easy for people to get licensed. Commissioner Amerman said in any other state one would have to get a license. The national licensing compact still required that one get licensed in every state. Chairman Shapiro asked if California just couldn't recognize the national license or licenses from other states. Ms. Wagner said California law required that any person participating in horse racing in California must have a Board issued license. Vice-Chairman Harris stated one should be able to show proof of a national license, and be deemed to have a California license. Chairman Shapiro said Board licensing staff could telephone the other state to see if there were any actions against the out-of-state license, and if the person was in good

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standing, they could run in California. Rod Blonien, a lawyer, quoted a passage from the Business and Professions Code regarding the national licensing compact. Chairman Shapiro said he did not know why California was not making licensing easy on applicants. Vice-Chairman Harris said it seemed like California was still getting fees. Even if an applicant was fingerprinted, they were receiving a license without an instantaneous background check. He stated it seemed to him the Board needed to move applicants through the process and that an unnecessary bureaucracy had been created. Deputy Attorney General Derry Knight stated the Board took action to join the national licensing compact during Roy Wood's tenure as Executive Director. However, California law stated California's licensing standards could not be reduced. It would take legislative action to change the criteria. Chairman Shapiro stated the issue should be explored more fully.

REPORT OF THE PARI-MUTUEL/ADW AND SIMULCAST COMMITTEE.

Mike Martin, CHRB staff, said the Pari-Mutuel/ADW and Simulcast Committee (committee) met on July 20, 2007. The committee discussed several issues, including mold at the Del Mar simulcast facility. He stated the simulcast facility was given a clean bill of health, but there still seemed to be some concerns. The committee also heard several recommendations designed to benefit persons who wagered. One issue was geldings. On 44 occasions in 2006 trainers failed to announce a gelding at time of entry. The average fine was 300 dollars. The committee recommended the fine for the infraction be raised to 1,000 dollars. Chairman Shapiro stated the issue of scratching a

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horse due to a trainer's failure to report the gelding would be further discussed. Mr. Martin said the committee discussed blinkers. There were conflicting directives regarding blinkers. If a horse wore blinkers, then came back after six months, one directive gave the stewards discretion and another directive stated the horse would wear the same equipment. For consistency the committee felt the horse should wear the same equipment. The committee requested the Board's concurrence. Chairman Shapiro stated he did not have a problem with the committee's recommendation. Mr. Martin said the committee also looked at payouts in dead heats for certain wagers, and recommended amendments to rules so there would be consistency. The Board agreed with the committee's recommendations. Finally the committee discussed late changes in the odds, and Richard Castro of the Pari-mutuel Employee's Guild spoke about his concerns regarding mold at Del Mar Surfside Race Place.

REPORT OF THE STRATEGIC PLANNING COMMITTEE.

Rod Blonien, representing Los Alamitos (LA), distributed a letter addressed to Chairman Shapiro, which was written by Dr. Edward Allred of LA. Chairman Shapiro said the Board requested completed questionnaires from each racing association, but had not received one from LA. He stated the Board welcomed Dr. Allred's input, but the preferred method was not a letter that the Board had not had time to read, delivered at the end of a Regular Meeting. He stated he encouraged the industry to read Dr. Allred's letter, and it would be discussed at a future Strategic Planning Committee (committee) meeting along with other issues. Chairman Shapiro

stated the next committee meeting would be on August 22, 2007, at the 22nd District Agricultural offices on the grounds of the Del Mar Racetrack.

PUBLIC COMMENT

Vice-Chairman Harris spoke about the tour of the Caliente facility at Tijuana, Mexico. He stated Caliente brought approximately \$3 million in revenue to California, and was an impressive, well run facility.

MEETING ADJOURNED AT 1:35 P.M.

A full and complete transcript of the aforesaid proceedings are on file at the office of the California Horse Racing Board, 1010 Hurley Way, Suite 300, Sacramento, California, and therefore made a part hereof.

Chairman

Executive Director

STAFF ANALYSIS
September 27, 2007

Issue: APPLICATION FOR LICENSE TO CONDUCT A HORSE RACING MEETING OF THE PACIFIC RACING ASSOCIATION AT GOLDEN GATE FIELDS NOVEMBER 7, 2007 THROUGH DECEMBER 22, 2007.

Pacific Racing Association [PRA] filed its application to conduct a thoroughbred horse racing meeting at Golden Gate Fields:

- November 7 through December 22, 2007, or 32 days. The association proposes to race a total of 275 races, or 8.6 races per day. In 2007 they raced April 25 through June 11, 2007 racing 8.6 races per day with an average of 7.22 runners per race. The (actual) average daily purse for the 2007 meet was \$190,884. The (estimated) average daily purse for this meet is \$176,429. They did not conduct racing during the prior year timeframe.
- PRA was allocated 31 race days for 2007. The proposed race dates deletes December 17th racing date and adds December 21 and 22. The association is requesting the revision to allow the coordination of racing between North and South. The additional day would increase their race days to 32.

November - 2007						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23 H	24
25	26	27	28	29	30	

December - 2007						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23/30	24/31	25 H	26	27	28	29

- Racing 5 days per week, Wednesday through Sunday, with 8 races weekdays and 9 or 10 weekends, holidays.
 - Option to request administrative approval to conduct more than an average of 8.6 races each day if the horse population permits additional racing.
- Racing concurrently with Hollywood Park association.
- First post 12:45 p.m. daily.
 - 11:15 a.m. Thursday, November 22, Thanksgiving day.
 - Request the option to change post times to coordinate north/south signals and to coordinate 10 card race days with daylight savings time.
- Request Patrick Kealy be appointed horse identifier pursuant to CHRB Rule 1525.
- Track safety requirements have been fulfilled.

- Wagering program will use all CHRB rules.
 - Early wagering will not be offered.
- Simulcasting conducted with out-of-state racing jurisdictions pursuant to Business and Professions Code Section 19602; and with authorized locations throughout California.
- Inspection of backstretch worker housing completed.

RECOMMENDATION:

Staff recommends the Board approve the application.

STATE OF CALIFORNIA
 CALIFORNIA HORSE RACING BOARD
 APPLICATION FOR LICENSE TO CONDUCT A HORSE RACING MEETING
 CHRB-17 (Rev 12/06)

Application is hereby made to the California Horse Racing Board (CHRB) for a license to conduct a horse racing meeting in accordance with the California Business and Professions (B&P) Code, Chapter 4, Division 8, Horse Racing Law, and the California Code of Regulations, Title 4, Division 4, CHRB Rules and Regulations.

1. APPLICANT ASSOCIATION

- A. Name, mailing address, telephone and fax numbers of association:

Pacific Racing Association

1100 Eastshore Highway

Berkeley, California 94710

Phone (510) 559-7300

Administration Fax (510) 559-7464

- B. Breed of horse: ☒ TB ☐ QH ☐ H

- C. Racetrack name: **Golden Gate Fields**

- D. Attach a certified check payable to the Treasurer of the State of California in the amount of \$10,000 as deposit for license fees pursuant to B&P Code Section 19490. **On file with the Board.**

NOTICE TO APPLICANT: Application must be filed not later than 90 days before the scheduled start date for the proposed meeting pursuant to CHRB Rule 1433.

2. DATES OF MEETING

- A. Inclusive dates for the entire meeting: **November 7, 2007 through December 22, 2007**

- B. Actual dates racing will be held: **November 7-11, 14-18, 21-25, 28-30; December 1-2, 5-9, 12-16, 21-22**

- C. Total number of days or nights of racing: **32 days**

- D. Days or nights of the week races will be held:

☒ Wed - Sun ☐ Tues - Sat ☐ Other (specify)

Dark Wednesday, December 19 and Thursday, December 20

- E. Number of days or nights of racing per week: **5 days per week except as set forth in Item D above.**

3. RACING PROGRAM

- A. Total number of races: **275**

CHRB CERTIFICATION

Application received: **8/9/07**

Deposit received:

Reviewed: *[Signature]*

Hearing date: **9/27/07**

Approved date:

License number:

- B. Number of races for each day or night: **8.6 will be the average throughout the meet; we propose to conduct 8 races on weekdays and 9 races on weekends and holidays. If the horse population permits, we may run 10 races on up to six weekend days. We will request administrative approval to conduct more than an average of 8.6 races per day.**
- C. Total number of stakes races: **7**
(**6 Non-Overnight Stakes and 1 Overnight Cal-Bred Stake**).
- D. Attach a listing of all stakes races and indicate the date to be run and the added money or guaranteed purse for each. Note the races that are designated for California-bred horses. **Stakes schedule attached.**
- E. Will provisions be made for owners and trainers to use their own registered colors?
☒ Yes ☐ No. If no, what racing colors are to be used:
- F. List all post times for the daily racing program:

<u>Post Time</u>	<u>Race Number</u>
12:45 p.m.	1
1:15 p.m.	2
1:45 p.m.	3
2:15 p.m.	4
2:45 p.m.	5
3:15 p.m.	6
3:45 p.m.	7
4:15 p.m.	8
4:45 p.m.	9
5:15 p.m.	10

***Post time scheduled at 11:15 a.m. on Thanksgiving, Thursday, November 22, 2007. (Subject to change)**
Request the option to change post time schedules in order to coordinate North/South signals and to coordinate 10 card race days with daylight savings time.

NOTICE TO APPLICANT: Every licensee conducting a horse racing meeting shall each racing day provide for the running of at least one race limited to California-bred horses, to be known as the "California-bred race" pursuant to CHRB Rule 1813. For thoroughbred and quarter horse meetings, the total amount distributed for California-bred stakes races from the purse account, including overnight stakes, shall not be less than 10% of the total amount distributed for all stakes races pursuant to B&P Code Section 19568(b).

4. RACING ASSOCIATION

- A. Association is a: ☒ Corporation (complete subsection C)
☐ LLC (complete subsection D)
☐ Other (specify, and complete subsection E)
- B. Complete the applicable subsection and attached Addendum, Background Information and Ownership. **On file with the Board.**
- C. CORPORATION
- Registered name of the corporation: **Pacific Racing Association**
 - State where incorporated: **California**
 - Registry or file number for the corporation: **Federal ID #94-1585367**
California ID #173-1919-5

Golden Gate Fields Stakes Fall 2007

Golden Gate Fields Stakes Fall 2007

Nov. 7, 2007 - Dec. 22, 2007

32 Days

Stakes	Purse	Distance	To Be Run	Closes	Nom	Entry
<i>Tanforan</i>	\$75,000 G	1 3/8 (T)	Saturday, November 10	Friday, November 2	\$50	\$750
3 Y O's & Up						
<i>Miss America</i>	\$75,000 G	1 1/8 (T)	Sunday, November 11	Friday, November 2	\$50	\$750
F&M 3 Y O & Up						
<i>All American GIII</i>	\$150,000 G	1 1/8	Saturday, November 17	Saturday, November 10	\$50	\$1,500
3 Y O's & Up						
<i>Sausalito</i>	\$75,000 G	6 Furlongs	Friday, November 23	Friday, November 16	\$50	\$750
3 Y O's & Up						
<i>Pacific Heights</i>	\$75,000 G	1 1/16	Saturday, December 1	Saturday, November 24	\$50	\$50
F&M 3 Y O & Up (CA)	(Incl. \$25,000 CBRF)					
Overnight Stake						
<i>Corte Madera</i>	\$75,000 G	1 Mile	Saturday, December 8	Saturday, December 1	\$50	\$750
2 YO F						
<i>Gold Rush</i>	\$75,000 G	1 Mile	Saturday, December 15	Saturday, December 8	\$50	\$750
2 YO's						

4. Names of all officers and directors, titles, and the number of shares of the corporation held by each:
Pacific Racing Association has only one shareholder, Magna Entertainment Corporation, a Delaware Corporation:
Frank Stronach, Chairman and Interim Chief Executive Officer
Dennis Mills, Vice Chairman
Blake Tohana, Executive Vice-President and Chief Financial Officer
Brant Latta, Senior Vice-President, Operations
James Bromby, Senior Vice-President, Operations
Frank DeMarco, Jr., Vice-President Regulatory Affairs
Joe DeFrancis, Executive Vice-President
Mary Lyn Seymour, Vice-President and Controller
William G. Ford, Secretary
Ron Charles, President, MEC California Operations
Peter W. Tunney, Vice-President, Community Relations
Calvin Rainey, Vice-President and Assistant General Manager
5. Names (true names) of all persons, other than the officers and directors listed above, that hold 5% or more of the outstanding shares in the corporation and the number of shares held by each:
None
6. Number of outstanding shares in the corporation: **69,347 shares of no par value common stock.**
7. Are the shares listed for public trading? ☐ Yes ☒ No
 If yes, on what exchange and how is the stock listed:
8. Name of the custodian of the list of shareholders and/or the transfer agent for the share holdings of the corporation: **Not applicable.**
9. If more than 50% of the shares are held by a parent corporation or are paired with any other corporation or entity, give the name of the parent and/or paired corporation or entity: **Magna Entertainment Corporation**
10. Attach the most recent audited annual financial statement for the licensee, including balance sheet and profit and loss statement, and a copy of a report made during the preceding 12 months to shareholders in the corporation and/or the Securities and Exchange Commission and/or the California Corporations Commission. The licensee may submit the audited consolidated annual financial statements of its parent owner if the parent owner is a publicly traded company and guarantees the obligations of the licensee. **Attached**

D. LLC

1. Registered name of the LLC: **Not applicable**
2. State where articles of organization are filed: **Not applicable**
3. Registry or file number for the LLC: **Not applicable**
4. Names of all officers and directors, titles, and the number of shares of the LLC held by each:
Not applicable
5. Names (true names) of all members, other than the officers and directors listed above, that hold 5% or more of the outstanding shares in the LLC and the number of shares held by each:
6. Are the shares listed for public trading? ☐ Yes ☐ No
 If yes, on what exchange and how is the stock listed:
7. If more than 50% of the shares are held by a parent corporation or are paired with any other corporation or entity, give the name of the parent and/or paired corporation or entity: **Not applicable**

8. Attach the most recent audited annual financial statement for the licensee, including balance sheet and profit and loss statement, and a copy of a report made during the preceding 12 months to shareholders in the LLC and/or the Securities and Exchange Commission and/or the California Corporations Commission. **Not applicable**

E. OTHER

1. Name(s) of partners/sole proprietor: **Not applicable**
2. If a partnership, attach partnership agreement. **Not applicable**

F. Management and Staff

1. Name and title of the managing officer and/or general manager of the association and the name and title of all department managers and staff, other than those listed in 10B, who will be listed in the official program:

Ron Charles, President, MEC California Operations

Blake Tohana, Executive Vice-President and Chief Financial Officer

Frank DeMarco, Jr., Vice-President Regulatory Affairs

William Ford, Secretary

Peter W. Tunney, Vice-President, Community Relations

Calvin Rainey, Vice-President, Assistant General Manager

Robert Hartman, General Manager

Jason Spetnagel, Assistant General Manager

Adam Njaa, Controller of Operations

Merry Scalzo, Director of Operations

Bill Newell, Director of Hospitality

Jerry Aldoroty, Director of Sales

Bryan Wayte, Manager of Mutuels

Tom Ferrall, Publicity Manager

Mike Roberts, Sales Manager

T.W. Johnson, Security Manager

Michael Wrona, Announcer

Richard Somers, Price Maker

William Vassar, Track Photographer

Aaron Vereruyse, Simulcast Coordinator

Robert Hemmer, Operations Manager

David Seftel, M.D., Track Physician

2. Name and title of the person(s) authorized to receive notices on behalf of the association and the mailing address of such person(s) if other than the mailing address of the association:
Peter W. Tunney, Vice-President, Community Relations

5. PURSE PROGRAM

- A. Purse distribution: *Prior meet actual represents April 25, 2007 – June 10, 2007 (35 Days)*

1. All races other than stakes:
Current meet estimate: **\$4,449,600.00**
Prior meet actual: **\$4,876,090.00**

Average Daily Purse (5A1 ÷ number of days):

Current meet estimate: **\$139,050.00**

Prior meet estimate: **\$139,316.86**

2. Overnight stakes:

Current meet estimate: **\$50,000.00 (+ \$25,000 Cal-Bred)**

Prior meet actual: **\$200,000.00**

Average Daily Purse (5A2 ÷ number of days):

Current meet estimate: **\$1,562.50**

Prior meet estimate: **\$5,714.29**

3. Non-overnight stakes:

Current meet estimate: **\$525,000.00**

Prior meet actual: **\$747,450.00**

Average Daily Purse (5A3 ÷ number of days):

Current meet estimate: **\$16,406.25**

Prior meet estimate: **\$21,355.71**

B. Stakes races:

1. Purse distribution for all stakes races:

Current meet estimate: **\$575,000.00**

Prior meet actual: **\$947,450.00**

Average Daily Purse (5B1 ÷ number of days):

Current meet estimate: **\$17,968.75**

Prior meet estimate: **\$27,070.00**

2. Percentage of the purse distribution for all stakes races that will be distributed for California-bred stakes races:

Current meet estimate: **10%**

Prior meet actual: **7.5%**

Average Daily Purse (5B2 ÷ number of days):

Current meet estimate: **.0031%**

Prior meet estimate: **.0021%**

C. Funds to be generated for all California-bred incentive awards:

Current meet estimate: **\$417,285.00**

Prior meet actual: **\$593,950.78**

D. Payment to each recognized horsemen's organization contracting with the association and the name(s) of the organization(s):

Recognized Horsemen's Organization

Current meet estimate:

Prior meet actual:

TOC (NTRA Contribution) **\$78,452.50**

TOC (NTRA Contribution) **\$108,489.66**

TOC **\$44,830.00**

TOC **\$ 61,994.08**

CTT (Administration)	\$22,415.00	CTT (Administration)	\$ 30,997.04
CTT (Pension)	<u>\$44,830.00</u>	CTT (Pension)	<u>\$ 61,994.08</u>
Total	\$190,527.50	Total	\$263,474.86

- E. Amount from all sources to be distributed in the form of purses or other benefits to horsemen (5A+5C+5D):

Current meet estimate: \$5,632,412.50

Prior meet actual: \$6,680,965.64

Average Daily Purse (5E ÷ number of days):

Current meet estimate: \$176,429.05

Prior meet estimate: \$190,884.73

- F. Purse funds to be generated from on-track handle and intrastate off-track handle:

Current meet estimate: \$3,396,178.00

Prior meet actual: \$4,941,829.58

Average Daily Purse (5F ÷ number of days):

Current meet estimate: \$106,130.56

Prior meet estimate: \$141,195.13

- G. Purse funds to be generated from interstate handle:

Current meet estimate: \$980,357.00

Prior meet actual: \$1,110,896.53

Average Daily Purse (5G ÷ number of days):

Current meet estimate: \$30,636.16

Prior meet estimate: \$31,739.90

- H. Bank and account number for the Paymaster of Purses' purse account:

Wells Fargo Bank - Account # On-file

- I. Name, address and telephone number of the pari-mutuel audit firm engaged for the meeting:

Bowen & McBeth, 10722 Arrow Route, Suite 110, Rancho Cucamonga, California 91730, (909) 944-6465

NOTICE TO APPLICANT: All funds generated and retained from on-track pari-mutuel handle which are obligated by law for distribution in the form of purses, breeders' awards or other benefits to horsemen, shall not be deemed as income to the association; shall not be transferred to a parent corporation outside the State of California; and shall, within 3 calendar days following receipt, be deposited in a segregated and separate liability account in a depository approved by the CHRB and shall be at the disposition of the Paymaster of Purses, who shall pay or distribute such funds to the persons entitled thereto. All funds generated from off-track simulcast wagering, interstate wagering, and out-of-state wagering which are obligated by law for distribution in the form of purses and breeders' awards, shall also be deposited within 3 calendar days following receipt, into such liability account. In the event the association is obligated to the payment of purses prior to those obligated amounts being retained from pari-mutuel wagering for such purpose, or as a result of overpayment of earned purses at the conclusion of the meeting, the association shall transfer from its own funds such amounts as are necessary for the Paymaster of Purses to distribute to the horse owners statutorily or contractually entitled thereto. The association is entitled to recover such transferred funds from the Paymaster of Purses' account; and if insufficient funds remain in the account at the conclusion of the meeting, the association is entitled to carry forward the deficit to its next succeeding meeting as provided by B&P Code Section 19615(c) or (d). In the event of underpayment of purses which results in a balance remaining in the Paymaster of Purses' account at the conclusion of the meeting after distribution of amounts due to horsemen and breeders and horsemen's organizations, the association may carry forward the surplus amount to its next succeeding meeting; provided, however, that the amount so retained does not exceed an amount equivalent to the average daily distribution of purses and breeders' awards during the meeting. All amounts in excess shall be distributed retroactively and proportionally in the form of purses and breeders' awards to the horse owners and breeders having earned purses or awards during the conduct of the meeting.

6. STABLE ACCOMMODATIONS

- A. Number of usable stalls available for racehorses at the track where the meeting is held: **1325**
- B. Minimum number of stalls believed necessary for the meeting: **2000**
- C. Total number of usable stalls to be made available off-site at approved auxiliary stabling areas or approved training centers: **1,100**
- D. Name and location of each off-site auxiliary stabling area and the number of stalls to be maintained at each site: **Bay Meadows Racecourse – 900 Stalls Pleasanton – 200 Stalls**
- E. Attach each contract or agreement between the association and the person(s) furnishing off-site stabling accommodations for eligible racehorses that cannot be provided stabling on-site. **On file.**

Complete subsections F through H if the association will request reimbursement for off-site stabling as provided by B&P Code Sections 19607, 19607.1, 19607.2, and 19607.3; otherwise, skip to Section 7.

- F. Total number of usable stalls made available on-site for the **1986** meeting: **1405**
- G. Estimated cost to provide off-site stalls for this meeting. Show cost per day per stall:
Stabling costs for this meet: \$506,000.00
Stabling costs per day per stall: \$12.23
- H. Estimated cost to provide vanning from off-site stalls for this meeting. Show fees to be paid for vanning per-horse:
Vanning fees for this meet: \$73,600.00 Vanning fee per horse: \$115.00
Pleasanton Vanning & Starter Fees: \$46,400.00 Pleasanton fee per horse: \$290.00

7. PARI-MUTUEL WAGERING PROGRAM

- A. Pursuant to B&P Code Section 19599, and with the approval of the CHRB, associations may elect to offer wagering programs using CHRB Pari-mutuel Rules, the Association of Racing Commissioners International (RCI) Uniform Rules of Racing, Chapter 9, Pari-mutuel Wagering, or a combination of both. Please complete the following schedule for the types of wagering other than WPS and the minimum wager amount for each:

Use DD for daily double, E for exacta (special quinella), PK3 for pick three, PK4 for select four, PNP for pick (n) pool, PPN for place pick (n), Q for quinella, SF for superfecta, TRI for trifecta, and US for unlimited sweepstakes (pick 9).

	TYPE OF WAGERS	APPLICABLE RULES
Example Race:	\$1 E; \$1 Double	CHRB #1959; RCI #VE
Race #1	\$2 DD*; \$1 E; \$2 Q; \$1 PK3+; \$1 TRI++; \$1 PPN%; \$10 SF# \$2 PAR^, \$1 PNP!	CHRB#1957; 1959; 1958; 1977; 1979; 1976.8; 1979.1; 1954.1; 1976.9
Race #2	\$2 DD*; \$1 E; \$2 Q; \$1 PK3+; \$1 TRI++; \$1 PPN%; \$10 SF# \$2 PAR^, \$1 PNP!	CHRB#1957; 1959; 1958; 1977; 1979; 1976.8; 1979.1; 1954.1; 1976.9
Race #3	\$2 DD*; \$2 PNP@; \$1 E; \$2 Q; \$1 PK3+; \$1 TRI++; \$10 SF#; \$1 PPN%; \$2 PAR^, \$1 PNP!	CHRB#1957; 1976.9; 1959; 1958; 1977; 1979; 1979.1; 1976.8; 1954.1; 1976.9

Race #4	\$2 DD*, \$2 PNP@, \$1 E, \$2 Q, \$1 PK3+, \$1 TRI++, \$1.10 SF# \$1 PPN%, \$2 PAR^, \$1 PNP!	CHRB#1957, 1976.9, 1959, 1958, 1977, 1979, 1979.1, 1976.8, 1954.1, 1976.9
Race #5	\$2 DD*, \$2 PNP@, \$1 E, \$2 Q, \$1 PK3+, \$1 TRI++, \$1.10 SF# \$1 PPN%, \$1 PNP!, \$2 PAR^	CHRB#1957, 1976.9, 1959, 1958, 1977, 1979, 1979.1, 1976.8, 1976.9, 1954.1
Race #6	\$2 DD*, \$2 PNP@, \$1 E, \$2 Q, \$1 PK3+, \$1 TRI++, \$1.10 SF# \$1 PPN%, \$1 PNP!, \$2 PAR^	CHRB#1957, 1976.9, 1959, 1958, 1977, 1979, 1979.1, 1976.8, 1976.9, 1954.1
Race #7	\$2 DD*, \$2 PNP@, \$1 E, \$2 Q, \$1 PK3+, \$1 TRI++, \$1.10 SF# \$1 PPN%, \$1 PNP!, \$2 PAR^	CHRB#1957, 1976.9, 1959, 1958, 1977, 1979, 1979.1, 1976.8, 1976.9, 1954.1
Race #8	\$2 DD*, \$2 PNP@, \$1 E, \$2 Q, \$1 PK3+, \$1 TRI++, \$1.10 SF# \$1 PPN%, \$1 PNP!, \$2 PAR^	CHRB#1957, 1976.9, 1959, 1958, 1977, 1979, 1979.1, 1976.8, 1976.9, 1954.1
Race #9	\$2 DD*, \$2 PNP@, \$1 E, \$2 Q, \$1 PK3+, \$1 TRI++, \$1.10 SF# \$1 PPN%, \$1 PNP!, \$2 PAR^	CHRB#1957, 1976.9, 1959, 1958, 1977, 1979, 1979.1, 1976.8, 1976.9, 1954.1
Race #10	\$2 DD*, \$2 PNP @, \$1 E, \$2 Q, \$1 PK3+, \$1 TRI++, \$1.10 SF# \$1 PPN%, \$1 PNP!	CHRB#1957, 1976.9, 1959, 1958, 1977, 1979, 1979.1, 1976.8, 1976.9

* - \$2 Daily Double on all races

@ - \$2 Pick 6 on last six races

+ - \$1 Pick 3 on every race

++ - \$1 Trifecta on every eligible race

- \$.10 cent Superfecta on all eligible races

% - \$1 Place Pick All on all races carded

! - \$1 Pick 4 on first four and last four races

^ - \$2 Parlay on every eligible race

B. Maximum carryover pool to be allowed to accumulate before its distribution **OR** the date(s) designated for distribution of the carryover pool: **December 22, 2007 for the period of November 7, 2007 through December 22, 2007.**

C. List any options requested with regard to exotic wagering: **2 Tier – 70%/30% split**

D. Will "advance" or "early bird" wagering be offered? ☐ Yes ☒ No
If yes, when will such wagering begin:

E. Type(s) of pari-mutuel or totalizator equipment to be used by the association and the simulcast organization, name of the person(s) supplying equipment, and expiration date of the service contract:
Scientific Games Racing, LLC, Bill Huntley, Expires: September 2012

8. ADVANCE DEPOSIT WAGERING (ADW)

- A. Identify the ADW provider(s) to be used by the association for this race meeting:
Xpressbet
Youbet
Churchill Downs - TwinSpires website (pending CHRB ADW approval)

9. SIMULCAST WAGERING PROGRAM

- A. Simulcast organization engaged by the association to conduct simulcast wagering:
Northern California Off-Track Wagering, Inc.
- B. Attach the agreement between the association and simulcast organization permitting the organization to use the association's live audiovisual signal for wagering purposes and providing access to its totalizator for the purpose of combining on-track and off-track pari-mutuel pools. **On file.**

- C. California simulcast facilities the association proposes to offer its live audiovisual signal:

Northern California

Alameda County Fair, Pleasanton
 Bay Meadows Racecourse, San Mateo
 Big Fresno Fair, Fresno
 California State Fair & Exposition, Sacramento
 Club One, Fresno
 Kern County Fair, Bakersfield
 Monterey County Fair, Monterey
 Redwood Acres Fair, Eureka
 San Joaquin County Fair, Stockton
 San Mateo County Fair, San Mateo
 Santa Clara County Fair, San Jose
 Shasta District Fair, Anderson
 Solano County Fair, Vallejo
 Sonoma County Fair, Santa Rosa
 Stanislaus County Fair, Turlock
 Tulare County Fair, Tulare

Southern California

Antelope Valley Fair, Lancaster
 Barona Casino, Lakeside
 California Mid-State Fair, Paso Robles
 Del Mar Thoroughbred Club, Del Mar
 Derby Club at Seaside Park, Ventura
 Earl Warren Showgrounds, Santa Barbara
 Fairplex Park, Pomona
 Hollywood Park, Inglewood
 Indian Fantasy Springs Casino, Indio
 Los Alamitos Racecourse, Los Alamitos
 National Orange Show, San Bernardino
 Santa Anita Park, Arcadia
 Santa Barbara County Fair, Santa Maria
 Shalimar Sports Center, Indio
 Sports Pavilion, Lake Perris
 Sports Pavilion, Victorville
 Sycuan Casino, El Cajon
 Viejas Casino, Alpine

- D. Out-of-state wagering systems the association proposes to offer its live audiovisual signal:

Pacific Racing Association/Golden Gate Fields

November 7, 2007 through December 22, 2007

Out-of-State & International Imports - Full or Partial Card (Subject to Change)

OUT-OF-STATE TRACK
AQUEDUCT
ARLINGTON
BELMONT
CALDER RACECOURSE
CHURCHILL DOWNS
FAIRGROUNDS
GULSTREAM PARK
HAWTHORNE RACECOURSE
KEENELAND
LAUREL
LONE STAR PARK
PIMLICO
OAKLAWN
PORTLAND MEADOWS
SUNLAND PARK
TAMPA BAY DOWNS
TURF PARADISE
TURFWAY PARK
INTERNATIONAL TRACK
WOODBINE
HASTINGS
SAN ISIDRO
MARONAS

- E. Out-of-state wagering systems that will combine their pari-mutuel pools with those of the association:

American Tab, OH
 Arapahoe Park, CO
 Arima Race Club
 Arlington International Race Course, IL
 Atlantic City Casino Assn., NJ
 Atlantic City Race Course, NJ
 Alokad Downs, NE
 Balmoral Park, IL
 Béulah Park, OH
 Birmingham Race Course, AL
 Blue Ribbon Downs, OK
 Bluffs Run Greyhound
 Buffalo Raceway, NY
 Calder Race Course, FL
 Canadian Associations
 Canterbury Park, MN
 Capital District OTB
 Capital Sports Pty, Ltd, Australia
 Casino Association
 Catskills OTB
 Charlestown Race Course, VA
 Chester Downs & Marina LLC
 Choctaw Racing Services, LLC, OK
 Churchill Downs, KY
 Coeur d'Alene Greyhound, ID
 Coeur d'Alene Casino, ID
 Colonial Downs, VA
 Columbus Races, NE
 Comanche Nation
 Connecticut OTB, CT
 Corpus Christi Greyhound Track, TX
 Crystal Palace
 Dairyland Greyhound Park, WI
 Darwin All Sports
 Delaware Park, DE
 Delta Downs
 Downs at Albuquerque, NM
 Elite Turf Club
 Ellis Park, KY
 Emerald Downs, WA
 Equus St. Thomas Racing, Inc.
 European Simulco, Austria
 Evangeline Downs, LA
 Evansville OTB
 Fair Meadows
 Fairgrounds Race Course, LA
 Finger Lakes Race Track, NY
 Fonner Park, NE
 Foxwoods
 Freehold Raceway, NJ
 Geneva Lakes
 Gillespie County Downs
 Great Lakes Downs, MI
 Greentrack
 Gulf Greyhound, TX
 Gulfstream Park, FL
 Harrington Raceway
 Hawthorne
 Hazel Park, MI

Hinsdale Greyhound Park, NH
 Hoosier Park, IN
 Horsemen's Park, NE
 Indiana Downs, IN
 International Racing Group
 Jackson Harness Raceway, MI
 John Marlin's Manor Restaurant
 Keeneland Association, KY
 Kentucky OTB
 Lebanon Raceway, OH
 Les Bois/Idaho
 Lewiston Raceway Inc., ME
 Lien Games, Inc., ND
 Lein Games, LLC
 Lincoln Greyhound
 Lodge Belmont Greyhound Park
 Lone Star, TX
 Louisiana Downs, LA
 Manor Downs
 Maryland Jockey Club, MD
 Maywood
 Meadowlands
 Meadowlands The
 Meskwaki Casino
 Millers OTB
 Mohegan Sun
 Monmouth Park, NJ
 Montana OTB, MT
 Monticello Raceway, NY
 Mount Pleasant Meadows, MI
 Mountaineer Park, WV
 Nevada Indian Casinos
 Nevada Pari-Mutuel Association, NV
 New Mexico
 New York City Off-Track Betting, NY
 New York Racing Association, NY
 Newport Jai Alai, FL
 North Dakota Horse Park, ND
 Northfield Park, OH
 Northville Racing Corp., MI
 Oaklawn Park, AR
 Ocean Downs, MD
 Oneida Bingo and Casino
 Penn National Race Course, PA
 Philadelphia Park, PA
 Plainfield Greyhound Park, NJ
 Plainridge Racecourse, MA
 Poconos
 Pojoaque
 Portland Meadows, OR
 Prairie Meadows, IA
 Raceway Park, OH
 Racing & Gaming Services, British WI.
 Red River Casino
 Remington Park, OK
 Retama Park, TX
 Riders Up OTB
 River Downs, OH
 Rockingham Park, NH

Rosecroft Raceway, MD
 Royal Beach Casino
 Royal River Racing
 Ruidoso Downs, NM
 Sam Houston, TX
 Saratoga Raceway, NY
 Scarborough Downs, ME
 Scioto Downs, OH
 Seabrook Greyhound
 Shoreline Star Greyhound Park
 Skydancer Casino
 Southland, AR
 Sports Center
 Sports Creek Raceway, MI
 Stables
 State Fair Park, NE
 Suffolk District OTB
 Suffolk Downs, MA
 Sunland Park, NM
 Sunray Park, NM
 Tampa Bay Downs, FL
 Tauton Dog Track, Inc.
 Thistledown Racing, OH
 Timeout Lounge
 Tioga Downs
 Tri-State Racetrack & Gaming Center, WV
 Turfway Park, KY
 Turf Paradise, AZ
 Valley Greyhound Park
 Vernon Downs, NY
 Western Fair Raceway
 Western Regional OTB
 Wheeling Downs, WV
 Wichita Greyhound Park, KS
 Will Rogers Downs, OK
 Wonderland Greyhound Park, MA
 Woodlands, KS
 Wyoming OTB, WY
 XpressBet, Inc., CA
 Yonkers Raceway, NY
 Yubel, CA
 Zia Park, NM

Separate Pools:

Caymanas
 Hipodromo Presidente Remon, Panamá
 LVDC (NV)
 MIR/Caliente

- F. For **THOROUGHBRED** racing associations, list the host track from which the association proposes to import out-of-state and/or out-of-country thoroughbred races. Include the dates imported races will be held, and whether or not a full card will be accepted. If the full card will not be imported, state "selected feature and/or stakes races":

NOTICE TO APPLICANT: B&P Code Section 19596.2(a) stipulates that on days when live thoroughbred or fair racing is being conducted in the state, the number of thoroughbred races which may be imported by an association or fair during the calendar period the association or fair is conducting its racing meeting cannot exceed a combined daily total of 23 imported thoroughbred races statewide. The limitation of 23 imported thoroughbred races per day statewide does not apply to those races specified in B&P Code Section 19596.2(a)(1), (2), (3) and (4).

THOROUGHBRED SIMULCAST RACES TO BE IMPORTED

Name of Host Track	Race Dates	Full Card or Selected Feature and/or Stakes Races
See 8D above.	TBD	

- G. For **QUARTER HORSE** racing associations, list the host track from which the association proposes to import out-of-state and/or out-of-country quarter horse races. Include the dates imported races will be held, and whether or not a full card will be accepted. If the full card will not be imported, state "selected feature and/or stakes races":

QUARTER HORSE SIMULCAST RACES TO BE IMPORTED

Name of Host Track	Race Dates	Full Card or Selected Feature and/or Stakes Races
Los Alamitos	Per CHRB calendar	Full Card

- H. For **STANDARD BRED** racing associations, list the host tracks from which the association proposes to import out-of-state and/or out-of-country harness races. Include the dates imported races will be held, and whether or not a full card will be accepted. If the full card will not be imported, state "selected feature and/or stakes races":

HARNESS SIMULCAST RACES TO BE IMPORTED

Name of Host Track	Race Dates	Full Card or Selected Feature and/or Stakes Races
Sacramento Harness Assn. @ Cal Expo	Per CHRB calendar	Full Card

- I. For **ALL** racing associations, list imported simulcast races the association plans to receive which use breeds other than the breed of the majority of horses racing at its live horse racing meeting. Include the name of the host track, the dates imported races will be held, and how many races will be imported:

OTHER BREED SIMULCAST RACES TO BE IMPORTED

Name of Host Track	Breed of Horse	Race Dates	Number of Races to be Imported
None			

- J. For **ALL** racing associations, if any out-of-state or out-of-country races will commence outside of the time constraints set forth in B&P Code Sections 19596.2 and 19596.3, attach a copy showing the agreement by the appropriate racing association(s). **Not applicable.**

NOTICE TO APPLICANT: All interstate wagering to be conducted by an association is subject to the provisions of Title 15, United States Codes, which require specific written approval of the CHRB and of the racing commission having jurisdiction in the out-of-state venue. All international wagering to be conducted by an association is subject to the provision of B&P Code Sections 19596, 19596.1, 19596.2, 19596.3, 19601, 19602, and 19616.1, and will require specific written approval of the CHRB.

Every association shall pay over to the simulcast organization within 3 calendar days following the closing of wagering for any day or night racing program, or upon receipt of the proceeds, such amounts that are retained from off-track simulcast wagering, interstate and out-of-state wagering, and which are obligated by statute for guest commissions, simulcast operator's expenses and promotions, equine research, local government in-lieu taxes, and stabling and vanning deductions. Every association shall pay to its Paymaster of Purses' account within 3 calendar days following the closing of wagering for each day or night racing program, or upon receipt of the proceeds, such amounts that are retained or obligated from off-track simulcast wagering, interstate and out-of-state wagering for purses, breeders' awards or other benefits to horsemen. (See Notice to Applicant, Section 5.)

10. CHARITY RACING DAYS

- A. Name and address of the distributing agent (charity foundation) for the net proceeds from charity racing days held by the association: **Pacific Racing Association is agent for distribution.**
- B. Names and addresses of the trustees or directors of the distributing agent:
Pacific Racing Association will act as its own distributing agent.
- C. Dates the association will conduct races as charity racing days OR:
- D. Will the association pay the distributing agent an amount equal to the maximum required under B&P Code Section 19550(b)? ☒ Yes

NOTICE TO APPLICANT: Net proceeds from charity racing days shall be paid to the designated and approved distributing agent within 180 days following the conclusion of the association's race meeting in accordance with the provisions of B&P Code Section 19555. Thereafter, the distributing agent shall distribute not less than 90% of the aggregate proceeds from such charity racing days within 12 calendar months after the last day of the meeting during which the charity racing days were conducted and shall distribute the remaining funds as soon thereafter as is practicable. At least 20% of the distribution shall be made to charities associated with the horse racing industry in accordance with the provisions of B&P Code Section 19556(b).

11. RACING OFFICIALS, OFFICIALS, AND OFFICIATING EQUIPMENT

- A. Racing officials nominated:
- | | |
|-----------------------------|---|
| Association Veterinarian(s) | Heather Kerr, D.V.M (Track Veterinarian)
Joan Hurley, D.V.M. (CHRB Veterinarian)
Diane Isbell, D.V.M. (Examining Veterinarian) |
| Clerk of Scales | Ken Sjordal |
| Clerk of the Course | Ella Robinson |
| Film Specialist | Ross Allardyce |
| Horse Identifier | Patrick Kealy |
| Horseshoe Inspector | Jack Hammonds |
| Paddock Judge | Tina Walker |
| Patrol Judges | Myra Truitt & Ross Allardyce |
| Placing Judges | Linda Anderson & Steve Martinelli |
| Starter | Chuck Burkes |
| Timer | Richard Somers |
- B. Management officials in the racing department:
- | | |
|-------------------------------------|------------------------------|
| Director of Racing | Sean Greely |
| Racing Secretary | Sean Greely |
| Assistant Racing Secretary | C. Gregory Brent, Jr. |
| Racing Secretary's Assistant | David Jerkens |
| Paymaster of Purses | Patricia Prospero |
| Others (identify by name and title) | |
| Main Track Superintendent | Juan Meza |
| Turf Track Superintendent | Jason Spetnagel |
| Price Maker | Richard Somers |
| Stable Superintendent | Carrie Fawcett |

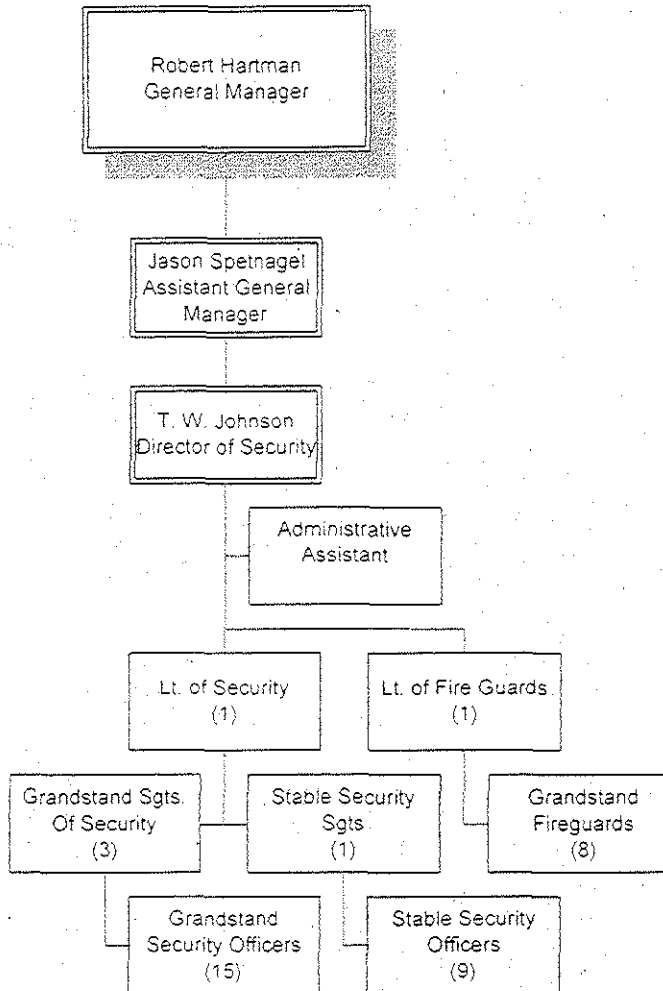
- C. Name, address and telephone number of the reporter employed to record and prepare transcripts of hearings conducted by the stewards: **Christine Niccoli**
Niccoli Reporting Service, 619 Pilgrim Drive, Foster City, CA 94404-1707, (650) 573-9339
- D. Photographic device to be used for photographing the finish of all races, name of the person supplying the service, and expiration date of the service contract:
Plusmic Corp., USA, Bill O'Brien, Expires: December 24, 2007
- E. Photo patrol video equipment to be used to record all races, name of the person supplying the service, and expiration date of the service contract. Specify the number and location of cameras for dirt and turf tracks.
Pegasus Communications, Inc, Jim Porep, Jr., System maintained in house, Equipment contract expires: December 31, 2007
- F. Type of electronic timing device to be used for the timing of all races, name of the person supplying the service, and expiration date of the service contract:
Pacific Racing Assn. electronic timer is installed and maintained by Pacific Racing Assn. staff.

12. SECURITY CONTROLS

- A. Name and title of the person responsible for security controls on the premises. Include an organizational chart of the security department and a list of the names of security personnel and contact telephone numbers.
T.W. Johnson, Security Manager is responsible for security on site.
Security Department organizational chart is attached.
Security Department phone number (510) 559-7370
Stable Security phone number (510) 559-7533
T.W. Johnson cell phone number (510) 418-3161
- B. Estimated number of security guards, gatemen, patrolmen or others to be engaged in security tasks on a regular full-time basis: **29**
 - 1. Attach a written plan for enhanced security for graded stakes races, and races of \$100,000 or more, to include the number of security guards in the restricted areas during a 24-hour period and a plan for detention barns. **Attached**
 - 2. Detention Barns:
 - A. Attach a plan for use of graded stakes or overnight races:
6 hour surveillance prior to race in Graded Stakes with purses of \$100,000 or over
24 hour surveillance in detention barn for Trainers with high-test results and repeat offenders
 - B. Number of security guards in the detention barn area during a 24-hour period.
Four Security Guards
 - C. Describe number and location of surveillance cameras in detention barn area.
Attached

GOLDEN GATE FIELDS 2007
SECURITY DEPARTMENT ORGANIZATIONAL CHART
ATTACHMENT 12A

Page 2-17



Attachment to PRA License Application

12B (1) and 12B (2):

SECURITY CONTROLSGraded Stakes and Races of \$100,000 or more

The following procedures have been put in place at Golden Gate Fields to ensure that proper security surveillance guidelines for races of \$100,000 or more are followed:

- Carrie Fawcett, Stable Superintendent, provides a list of starters to T. W. Johnson, Director of Security which includes the following information:
 1. Name of horse
 2. Name of trainer
 3. Barn number
 4. Stall number
- Supplemental security staff, provided by a licensed security contractor and licensed by the CHRB, are called in the morning of the race to meet with the Director of Security for the following instruction:
 - A. An overview of the race track operating procedures
 - B. A briefing of their duties throughout the day
 - C. All guards are asked to sign out for their specific video camera
 - D. A form is provided by the CHRB to each guard which is to be signed by the attending veterinarian when administering medication to bleeders.
 - E. Each guard is given a video camera to record ALL activities involving individuals entering and exiting their assigned stall. Instruction is given to first record the posted number on the stall to confirm that the camera is directed at the assigned horse.
 - F. Instruction is given to monitor any and all suspicious activity and to contact the Director of Security if and when suspicious activity occurs.
 - G. Guards are instructed to position themselves as close to the horse's stall without jeopardizing safety.
 - H. The horse and handler will be followed on foot by each guard to the receiving barn before the race.
 - I. After all horses are safely in the receiving barn, the guards are instructed to meet in the Security office with the Director of Security. The guards sign that they have returned their video camera and participate in a discussion of the day's surveillance activities.
- Surveillance videotapes are saved until all test results have received a negative result.

**Attachment to PRA License Application
12B (2) and 12C (1):**

Detention Barn Surveillance:

Barn #44 contains 27 stalls and is utilized as our Transit and Detention Barn. The surveillance system in place contains cameras strategically placed to monitor entrances and exits along with a camera monitoring each stall.

The camera equipment is connected to a digital recording system which is kept in a secured area with a power back-up in place.

Stable Gate Surveillance:

Cameras are strategically placed to monitor all activities at the Main Stable Gate and the Horsemen Walk-In Gate.

PACIFIC RACING ASSOCIATION
ATTACHMENT 12B (3)

EXHIBIT A

Track is entitled to perform physiological tests consisting of the taking of blood samples from owners' horses entered in races to be conducted at the 2007 race meets. It is the understanding of the parties that such samples will be tested for bicarbonate levels. Trainers of horses showing a total carbon dioxide (TCO₂) of 37 millimoles per liter of plasma or more, and owners' horses within their control, will be subject to the following:

- 1st Incidence** - For the first test that results in a total carbon dioxide (TCO₂) of 37 millimoles per liter of plasma or more, the registered trainer of such horse shall have his/her barn, and all owners' horses stabled therein, subject to surveillance for a period of 45 days from the date set by the TCO₂ Committee. Such surveillance may include, but not be limited to, the placing of surveillance cameras with recording devices in any location within that barn that TRACK deems necessary and appropriate to ensure the integrity of racing. Additionally, owners' horses entered by said trainer anytime within a period of 30 days from the date set by the TCO₂ Committee, will be quarantined to a Protection Barn beginning at noon on the day before said horse is scheduled to compete. The costs of such quarantine/surveillance including, but not limited to, \$150.00 for security and \$25.00 for stall renovation per horse/entrant for stall renovation, per day, being born by the trainer or owner of such horse.
- B. 2nd Incidence** - For the second test that results in a total carbon dioxide (TCO₂) of 37 millimoles per liter of plasma or more, which occurs within three years of a prior incidence, the registered trainer of such horse shall have his/her barn, and all owners' horses stabled therein, under surveillance for a period of 75 days from the date set by the TCO₂ Committee. Such surveillance may include, but not be limited to, the placing of surveillance cameras with recording devices in any location within that barn that TRACK deems necessary and appropriate to ensure the integrity of racing. Additionally, owners' horses entered by said trainer anytime within a period of 60 days from the date set by the TCO₂ Committee, will be quarantined to a Protection Barn beginning at noon the day before said horse is scheduled to compete. The costs of such quarantine/surveillance including, but not limited to, \$150.00 for security and \$25.00 for stall renovation per horse/entrant for stall renovation, per day, being born by the trainer or owner of such horse.

- C. **3rd Incidence** - For the third test that results in a total carbon dioxide (TCO₂) of 37 millimoles per liter of plasma or more, which occurs within three years of a prior incidence, the registered trainer of such horse shall have his/her barn, and all owners' horses stabled therein, under surveillance for a period of 105 days from the date set by the TCO₂ Committee. Such surveillance may include, but not be limited to, the placing of surveillance cameras with recording devices in any location within that barn that TRACK deems necessary and appropriate to ensure the integrity of racing. Additionally, owners' horses entered by said trainer anytime within a period of 90 days from the date set by the TCO₂ Committee, will be quarantined to a Protection Barn beginning at noon the day before said horse is scheduled to compete. The costs of such quarantine/surveillance including, but not limited to, \$150.00 for security and \$25.00 for stall renovation per horse/entrant for stall renovation, per day, being born by the trainer or owner of such horse.

Track further agrees that it shall enforce these penalties when imposed as a result of similar contract provisions with other racing associations in California. By way of example only, Track agrees that should any horse running at its meet be subject to detention barn confinement as the result of a positive at another association, Track will continue to require detention barn confinement for the remainder of said 30 day period. Also by way of example, should a trainer have a TCO₂ positive or positives at a race meet other than its own and a subsequent positive at Track's race meet or at another associations meet, Track will enforce paragraph B, and may, at its discretion, enforce paragraph C above as though the original positive(s) had taken place at its meet.

**Attachment to PRA License Application
12B (2) and 12C (1):**

Detention Barn Surveillance:

Barn #44 contains 27 stalls and is utilized as our Transit and Detention Barn. The surveillance system in place contains cameras strategically placed to monitor entrances and exits along with a camera monitoring each stall.

The camera equipment is connected to a digital recording system which is kept in a secured area with a power back-up in place.

Stable Gate Surveillance:

Cameras are strategically placed to monitor all activities at the Main Stable Gate and the Horsemen Walk-In Gate.

3. TCO2 Testing:

A. Number of races to be tested, and number of horses entered in each race to be tested.

Every horse in every race has been tested since early January 2005

B. Plan for enhanced surveillance for trainers with high-test results.

24 Hour detention and video surveillance prior to the race

C. Plan for detention barns for repeat offenders.

Assigned to detention barns with 24 hour surveillance

D. Number of security personnel assigned to the TCO2 program.

As needed per the direction of CHRB staff

C. Describe the electronic security system:

1. Location and number of video surveillance cameras for the detention barn and stable gate.

Attached

D. For night racing associations. Describe emergency lighting system: **Not Applicable.**

13. EMERGENCY SERVICES

A. Name, address and emergency telephone number of the ambulance service to be used during workouts and the running of the races:

**Brad Winding Turf Rescue, LLC, 19615 Barclay Road, Castro Valley, CA 94546,
(510) 581-8470**

B. Name, address and emergency telephone number of the ambulance service to be used during workouts at auxiliary sites:

**Bay Meadows - Bayshore Ambulance, P. O. Box 4622, Foster City, CA 94404, 650- 525-9700
Pleasanton - American Medical Response, 640-143rd Ave., San Leandro, CA 94577, 510-895-7600**

C. Describe the on-track first aid facility, including equipment and medical staffing: **Attached**

D. Name and emergency telephone number of the licensed physician on duty during the race meeting:
(If quarter horse racing association see D(1):

Dr. David Seftel

Office Number: 510-559-7375, Cell Number: 650-520-6204

1. Name address and emergency telephone number of hospital located within 1.5 miles of the racetrack, which whom an agreement is in place to provide emergency medical services:

No hospital located within 1.5 miles of the racetrack.

E. Name, address and emergency telephone number of the hospital to be used for admittance and treatment of emergency injuries in the event of an on-track injury to a jockey:

Alta Bates Summit Medical Center, 2450 Ashby, Berkeley, CA 94705 (510) 204-4444

F. Attach, in English and Spanish, the emergency medical plan procedures that will be posted in each jockey's room to be used in the event of an on-track injury to a jockey: **Attached**

G. Name of health and safety manager and assistant manager responsible for compliance of health and safety provisions pursuant to B& P Code 19481.3(d):

Roy Roenbeck, Director of Safety and Compliance

Meggie Ghidella, Director of Human Resources serves as Assistant Safety Manager



Description of GGF Medical Clinic (Live Racing)

Services (Mission)

- Pre-race examinations on jockeys;
- Preventive & curative medical services for jockeys;
- Urgent care facility for jockeys;
- Assist CHRB in assessment of any impaired individuals;
- Urgent care for patrons & GGF employees.

Staffing

- Physician Medical Director ("Track Physician");
- Full-time Medical Assistant;
- Part-time Medical Assistant "Intern".

Equipment

- Advanced cardiac life support (ACLS) equipment;
- 12-Lead EKG;
- Lung function testing equipment;
- Ultrasound (for internal organ injury assessment);
- Blood work & hematology supplies & equipment;
- Basic surgical care supplies & equipment.

Availability

- One-hour before first posted race until one-to-two hours following last posted race;
- Extended hours for necessary follow-up care and/or upon request from track management or CHRB.

EMERGENCY MEDICAL PROCEDURES FOR ON-TRACK INJURY TO JOCKEYS

"FIRST RESPONSE"

- In the event of an accident, the Stewards and/or Outriders shall immediately contact the Track Physician ("Jockey Down") using Radio Channel #7 (*or the accident may very well be witnessed directly by the Track Physician*);
- The on-track GGF Human Ambulance (manned by GGF-contracted EMTs) and the Track Physician (transported via the GGF "chase" or "Vet" truck) shall respond immediately to the site of the accident;
- The attending medical professionals shall arrive equipped with advanced cardiac life support (ACLS) and other necessary acute medical treatment equipment & supplies;
- An "on-site evaluation" of injuries to the jockey(s) shall be made by the Track Physician.



"ON-SITE EVALUATION"

- Based on the Track Physician's "on-site evaluation" of injuries, a decision shall be made to either treat the injured jockey(s) on-site or to request emergency medical transport for off-site treatment at a hospital trauma center;
 - If on-site treatment is deemed sufficient, the GGF Human Ambulance shall transport the injured jockey(s) directly to the GGF Medical Clinic; or,
 - If off-site treatment is deemed necessary, "911" shall be used to summon a City of Albany Fire Dept. ambulance (*a Fire Dept. truck shall also respond*).



"INJURY TREATMENT"

- If the injured jockey(s) is treated at the GGF Medical Clinic, the Track Physician shall be the primary care provider unless (or until) the Track Physician surrenders custody of the patient based on his/her medical judgment;
- If the City of Albany Fire Dept. ambulance is summoned to respond, the injured jockey(s) shall be transferred to this ambulance (*accompanied by the Track Physician*) at either of the two following locations for transport to a local hospital;
 - If the injuries are deemed less severe, the jockey will be transported by the GGF Human Ambulance to an off-track location for pick-up by the City of Albany Fire Dept. ambulance; or,
 - If the injuries are deemed severe and the jockey(s) cannot be moved, the City of Albany Fire Dept. ambulance will be escorted by GGF security personnel directly onto the track for patient pickup.

In consultation with the Track Physician, an "Accident/Injury Investigation Report" must be completed by track management following completion of the above-noted procedures.

(REV 1.0, JUNE 2007)

PROCEDIMIENTOS MÉDICOS EN EMERGENCIAS

PARA LESIONES DE JOCKEYS EN LA PISTA

"PRIMERA RESPUESTA"

- En caso de accidente, los comisarios y/o escoltas deberán contactar inmediatamente al Médico de Pista ("Jockey Abajo") usando el canal de radio nº7 (*salvo que el Médico de Pista sea testigo directo del accidente*);
- La Ambulancia para Humanos de GGF (con personal de emergencias médicas contratado por GGF) y el Médico de Pista (transportado a través del camión de "chase" o "Vet" de GGF) deberá acudir en forma inmediata al lugar del accidente;
- Los médicos que asistan deberán estar equipados con soporte vital cardíaco avanzado (ACLS) y otros equipos y elementos necesarios para el tratamiento médico;
- El Médico de Pista hará una "evaluación en el lugar" de las lesiones del jockey.



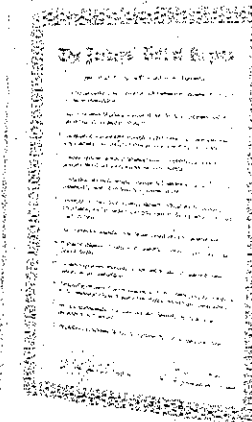
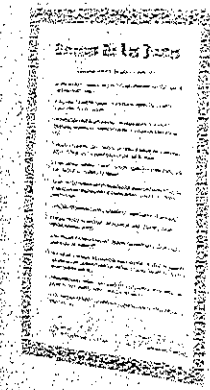
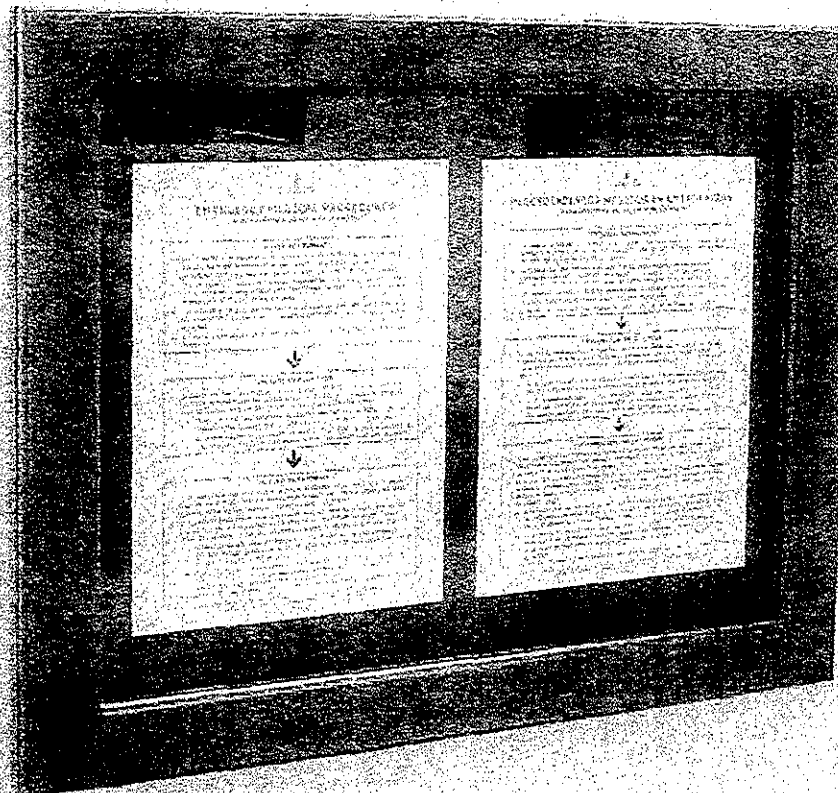
"EVALUACIÓN EN EL LUGAR"

- En base a la "evaluación en el lugar" de lesiones por parte del Médico de Pista, se tomará una decisión acerca de si tratar al jockey lesionado en el lugar o pedir transporte de emergencia médica para un tratamiento en un hospital o centro de salud;
 - Si se considera suficiente el tratamiento en el lugar, la Ambulancia para Humanos de GGF trasladará al jockey lesionado directamente a la Clínica Médica de GGF; o,
 - Si se considera necesario un tratamiento fuera del lugar, se usará el "911" para pedir una ambulancia del Departamento de Bomberos de la Ciudad de Albany (*un camión del Departamento de Bomberos también acudirá*).



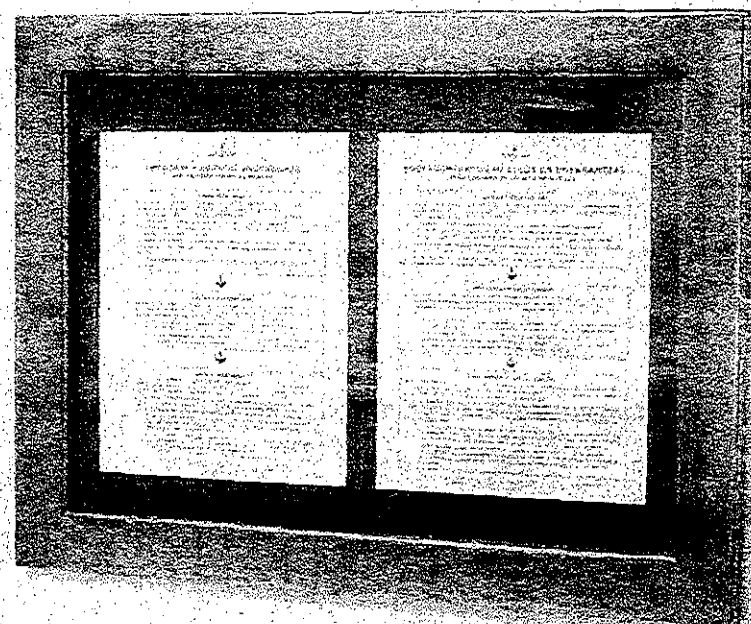
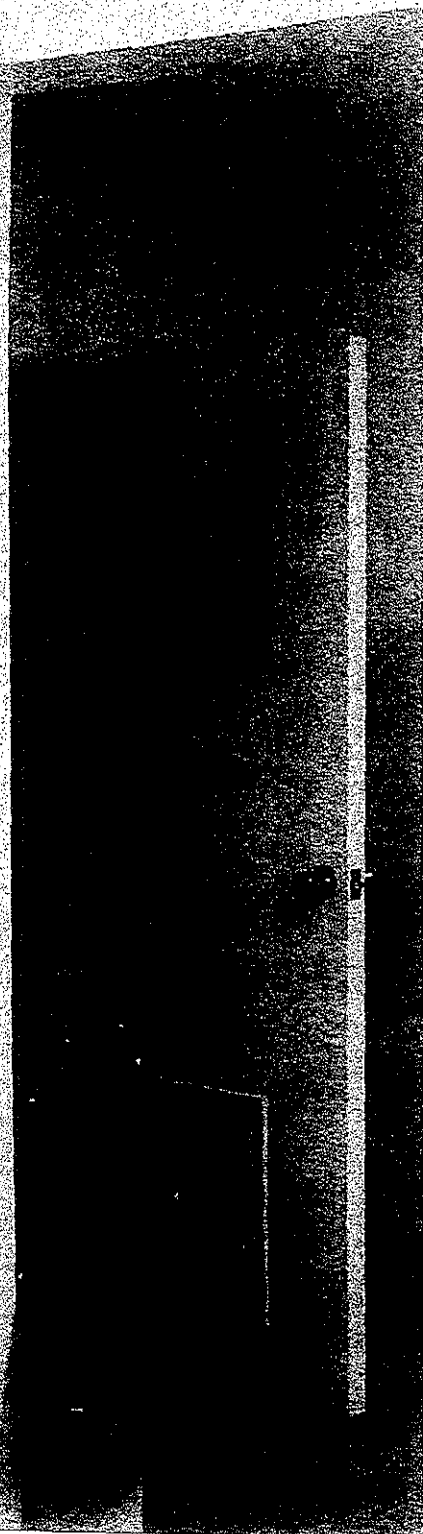
"TRATAMIENTO DE LA LESIÓN"

- Si el jockey lesionado recibe tratamiento en la Clínica Médica de GGF, el Médico de Pista será el que proporcione atención primaria a menos que (o hasta que) el Médico de Pista dé de alta al paciente en base a su juicio médico;
- Si se requiere que acuda la ambulancia del Departamento de Bomberos de la Ciudad de Albany, el jockey lesionado será transferido a esta ambulancia (*acompañado por el Médico de Pista*) en cualquiera de los siguientes lugares para luego ser trasladado a un hospital local;
 - Si se considera que las lesiones son menos severas, el jockey será trasladado por la Ambulancia Humana de GGF a una ubicación fuera de la pista para ser recogido por la ambulancia del Departamento de Bomberos de la Ciudad de Albany; o,
 - Si se considera que las lesiones son severas y no puede moverse al jockey, la ambulancia del Departamento de Bomberos Ciudad de Albany será conducida por el personal de seguridad de GGF directamente sobre la pista para recoger al paciente.



Pacific Racing Association
Emergency Medical Plan
Men's Jockey Room
Attachment 13 (F)

27 2578



Pacific Racing Association
Emergency Medical Plan
Women's Jockey Room
Attachment 13 (F)

27

1-28-84

- H. Attach a fire clearance from the fire authority having jurisdiction over the premises.
Berkeley fire clearance attached.
Albany fire clearance attached.
- I. Name of the workers' compensation insurance carrier for the association and the number of the insurance policy (if self-insured, provide details): **Liberty International - #On file**
- J. Attach a Certificate of Insurance for workers' compensation coverage. The CHRB is to be named as a certificate holder and given not less than 10 days' notice of any cancellation or termination of insurance that secures the liability of the association for payment of workers' compensation.
Attached

NOTICE TO APPLICANT: Every licensee conducting a horse racing meeting shall pursuant to B&P Code 19481.3 maintain, staff, and supply an on-track first aid facility, that may be either permanent or mobile, and which shall be staffed and equipped as directed by the board. A qualified and licensed physician shall be on duty at all times during live racing, except that this provision shall not apply to any quarter horse racing at the racetrack if there is a hospital situated no more than 1.5 miles from the racetrack and the racetrack has an agreement with the hospital to provide emergency medical services to jockeys and riders. An ambulance licensed to operate on public highways provided by the track shall be available at all times during live racing and shall be staffed by two emergency medical technicians licensed in accordance with Division 2.5 (commencing with Section 1797) of the Health and Safety Code, one of whom may be an Emergency Medical Technician Paramedic, as defined in Section 1797.84 of the Health and Safety Code. (b) Each racing association and racing fair shall adopt and maintain an emergency medical plan detailing the procedures that shall be used in the event of an on-track injury. The plan shall be posted in each jockey room in English and Spanish. (c) Prior to every race meeting, the racing association or racing fair shall contact area hospitals to coordinate procedures for the rapid admittance and treatment of emergency injuries. (d) Each racing association or racing fair shall designate a health and safety manager and assistant manager, who shall be responsible for compliance with the provisions of this section and one of whom shall be on duty at all times when live racing is conducted. The health and safety manager may, at the discretion of the racing association, be the person designated to perform risk management duties on behalf of the association.

14. CONCESSIONAIRES AND SERVICE CONTRACTORS

Names and addresses of all persons to whom a concession or service contract has been given, **other than those already identified**, and the goods and/or services to be provided by each:

Tip Sheets Jack's Blue Card, 127 Sun Avenue, Hayward, CA 94544

Armored Car Services Loomis Armored Car, P.O. Box 44196, San Francisco, CA 94144

Track Physician Dr. David Seftel, Conocen Corp., 20066 Austin Lane, Castro Valley, CA 94546

Official Program Del Mar Graphics, 1100 Eastshore Highway, Albany, CA 94706

Jockey's Laundry F. Lorene Dutton, Bailey's Mobile Laundry, 3263 Vineyard Ave., Pleasanton, CA 94566

Starting Gate Mike Costello, United Puett Starting Gate Co., P.O. Box 18, S. Salem, NY 10590

Track Photographer Bill Vassar, Vassar Photography, 1167 Sapphire Drive, Livermore, CA 94550

15. ON-TRACK ATTENDANCE/FAN DEVELOPMENT

A. Describe any promotional plans:

The tentative fall 2007 promotional/giveaway schedule is listed below (subject to change).

November 7, 2007 – Opening Day

- Direct Mail Offer – Fans on GGF mailing list will receive 2 complimentary Turf Club admission passes.



City of Albany

1000 SAN PABLO AVE. • ALBANY, CALIF. 94706 • TELEPHONE (510) 528-5775 • FAX (510) 528-5774

FIRE DEPARTMENT
FIRE PREVENTION BUREAU

16 July 2007

Jason Spetnagel
Assistant General Manager
Golden Gate Fields
1100 Eastshore Highway
Albany, CA 94706

Dear Mr. Spetnagel,

On June 8, 11 & July 10, 2007, Fire and Life Safety inspections were conducted by this office under the *Fire Prevention Code*, NFPA 1, the Fundamental Requirements listed in the *Life Safety Code*, NFPA 101, Chapter 2, the 2001 California Fire Code and California Code of Regulations. Listed below are the results of the inspection and code references. All areas of Golden Gate Fields Race Track, within the jurisdiction of the Albany Fire Department have been inspected.

GENERAL

This building is in generally good condition. Housekeeping in the public areas are maintained, fire extinguishers and the existing exit/panic hardware and egress doors are in operative condition. Most exit signs and emergency illumination appear to be in working order. The fire alarm system had its annual test on May 14th, 2007 with no deficiencies or problems noted. Fire & Life Safety requirements appear to be in order.

Main Building, Public Areas, GGF

1. Three sets of exterior hallway doors from Club House are not opening properly. These doors shall be repaired.
NFPA 101, Chapter 7, Section 7, Means of Egress, 2006 Edition
2. Several exit signs need to have their bulbs replaced and back-up batteries replaced throughout the complex.
NFPA 101, Chapter 7, Section 7-10.5.2, 2006 Edition

3. Several emergency back-up lights throughout the entire complex were non-operable, replaced their back-up batteries.
NFPA 101, Chapter 7, Section 7-8.1.2, 2006 Edition
4. No other deficiencies or problems noted at this time.

Main Building, Non Public Areas, GGF

1. Several exit signs need to have their bulbs replaced and back-up batteries replaced throughout the complex.
NFPA 101, Chapter 7, Section 7-10.5.2, 2006 Edition
2. Several emergency back-up lights throughout the entire complex were non-operable, replaced their back-up batteries.
NFPA 101, Chapter 7, Section 7-8.1.2, 2006 Edition
3. Housekeeping shall be maintained from accumulation and storage of combustibile materials
CFC, Article 11, Section 1103, Combustible Material, 2001 Edition
4. No other deficiencies or problems noted at this time.

Equine Hospital, GGF

1. No deficiencies or problems noted at this time. The fire alarm system was tested on 10 October 2006.

Corporation Yard, GGF

1. Plumbers, Electrical and Painters Shops - shall have approved metal containers equipped with tight fitting lids for oily rags or similar material.
CFC, Article 11, Section 1103.2.1.3, 2001 Edition
2. Printers Shop - Strap water heater with 2 straps.
CPC, Section 510.5, 2001 Edition
3. **The fire alarm system was tested on 30 March 2006, service this alarm system, it is pass due.**
4. No other deficiencies or problems noted at this time.

Conditional Fire Clearance

Conditional fire clearance is granted for the November 7, 2007 through December 22, 2007 Racing Season. All Fire & Life Safety items are being completed. Before the November 2007 racing season begins, all areas of GGF shall be re-inspected. During the course of the late 2007 Racing Season, the

Albany Fire Prevention Bureau will conduct periodic Fire & Life Safety Inspections. In the event of a flagrant Fire or Life Safety violation, their Fire Clearance will be revoked.

If you have any questions, please do not hesitate to contact me at (510) 528-5775.

Sincerely,

A handwritten signature in black ink, appearing to read "Brian J. Crudo". The signature is fluid and cursive, with the first name "Brian" and last name "Crudo" clearly distinguishable.

Brian J. Crudo
Battalion Chief/Fire Marshal

cc: Marc McGinn, Fire Chief
Andrea Ogden, C.H.R.B.
Peter Tunney, Vice President, GGF
Cal Rainey, Vice President, GGF
Merry Scalzo, Executive Assistant, GGF
Roy Roenbeck, Director of Safety and Compliance, GGF

Golden Gate Fields

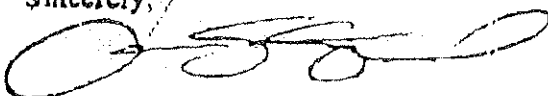
November 12, 2006

Mr. David Ross
Fire Inspector
City of Berkeley
Sent via fax (510) 981-5579

Dear Mr. Ross:

This letter confirms that Pacific Racing Association at Golden Gate Fields has no Fire and Life Safety violations outstanding following the inspection conducted by your office. In accordance with your instructions to the California Horse Racing Board, we request your signature below to verify that we have received Fire Clearance from the City of Berkeley for the period of January 2007 through January 2008.

Sincerely,



Jason Spetnagel
Assistant General Manager



David Ross, Fire Inspector
City of Berkeley

JS:mjs

Ref. No. 320005609024

CERTIFICATE OF INSURANCE

Aon Reed Stenhouse Inc.
20 Bay Street
Toronto ON M5J 2N9
tel 416-868-5500 fax 416-868-5580

Re: Evidence of Insurance

California Horse Racing Board
Attention : Insurance Department
1010 Hurley Way
Sacramento, CA 95825
USA

Insurance as described herein has been arranged on behalf of the Insured named herein under the following policy(ies) and as more fully described by the terms, conditions, exclusions and provisions contained in the said policy(ies) and any endorsements attached thereto.

Insured

Magna Entertainment Corp.; a/o Pacific Racing
Association; a/o Golden Gate Fields; a/o MI
Developments Inc.
1100 Eastshore Highway
Albany, CA 94706
USA

Coverage

Commercial General Liability	Insurer	Zurich American Insurance Company		
	Policy #	()		
	Effective	01-Jan-2007	Expiry	01-Apr-2008
	Limits of Liability	Bodily Injury & Property Damage, Each Occurrence \$2,000,000 Subject to Aggregate Where Applicable		
US Workers Comp/Employers Liability	Insurer	Liberty Mutual Insurance Company		
	Policy #	1		
	Effective	01-Jan-2007	Expiry	01-Jan-2008
	Limits of Liability	Workers Compensation As Per Applicable Law		

THIS CERTIFICATE CONSTITUTES A STATEMENT OF THE FACTS AS OF THE DATE OF ISSUANCE AND ARE SO REPRESENTED AND WARRANTED ONLY TO THE INSURED. OTHER PERSONS RELYING ON THIS CERTIFICATE DO SO AT THEIR OWN RISK.

Aon Reed Stenhouse Inc.

Dated : 27-December-2006
Issued By : Madigan, Laurie Ann
Tel : 416-868-5721

THE POLICY CONTAINS A CLAUSE THAT MAY LIMIT THE AMOUNT PAYABLE
OR, IN THE CASE OF AUTOMOBILE INSURANCE,
THE POLICY CONTAINS A PARTIAL PAYMENT OF LOSS CLAUSE

1

AON

November 8, 2007

- Direct Mail Offer – Fans on GGF mailing list will receive 2 complimentary Turf Club admission passes.
- Senior Thursday – Seniors 62 and older will receive FREE Club House or FREE Grandstand admission with a THOROUGHBREDS card.

November 9, 2007

- Direct Mail Offer – Fans on GGF mailing list will receive 2 complimentary Turf Club admission passes.

November 10, 2007

- Mystery Mutuel Voucher
- NTRA/DRF Handicapping Contest Round 1A

November 11, 2007

- NTRA/DRF Handicapping Contest Round 1B
- \$1 Day – Fans will receive \$1 General admission, \$1 General parking, \$1 Program, \$1 Hot Dogs, \$1 Sodas, and \$1 Beers.

November 15, 2007

- Senior Thursday – Seniors 62 and older will receive FREE Club House or FREE Grandstand admission with a THOROUGHBREDS card.

November 17, 2007

- Long Sleeved Shirt Giveaway where all fans will receive one giveaway item with paid admission while supplies last.

November 22, 2007 – Thanksgiving

- Senior Thursday – Seniors 62 and older will receive FREE Club House or FREE Grandstand admission with a THOROUGHBREDS card.
- Food Drive where fans will receive a complimentary Club House or a complimentary Grandstand admission pass if they donate 1 can good item at the admission gates.

November 23, 2007

- Mystery Mutuel Voucher
- Direct Mail (Day on Us) – Fans on GGF mailing list will receive 2 complimentary Turf Club admission passes and a Valet parking pass.

November 24, 2007

- Direct Mail (Day on Us) – Fans on GGF mailing list will receive 2 complimentary Turf Club admission passes and a Valet parking pass.

November 25, 2007

- Direct Mail (Day on Us) – Fans on GGF mailing list will receive 2 complimentary Turf Club admission passes and a Valet parking pass.

November 29, 2007

- Senior Thursday – Seniors 62 and older will receive FREE Club House or FREE Grandstand admission with a THOROUGHBREDS card.

December 2, 2007

- TV Giveaway – Drawing contest to win a 42" flat screen television after each race.

December 5, 2007

- Direct Mail Offer – Fans on GGF mailing list will receive 2 complimentary Turf Club admission passes.

December 6, 2007

- Direct Mail Offer – Fans on GGF mailing list will receive 2 complimentary Turf Club admission passes.
- Senior Thursday – Seniors 62 and older will receive FREE Club House or FREE Grandstand admission with a THOROUGHBREDS card.

December 7, 2007

- Direct Mail Offer – Fans on GGF mailing list will receive 2 complimentary Turf Club admission passes.

December 8, 2007

- Toys 4 Tots – Donate 1 toy and receive 2 complimentary Club House admission passes – Maximum of 5 toys.
- \$1 Day – Fans will receive \$1 General admission, \$1 General parking, \$1 Program, \$1 Hot Dogs, \$1 Sodas, and \$1 Beers.

December 13, 2007

- Senior Thursday – Seniors 62 and older will receive FREE Club House or FREE Grandstand admission with a THOROUGHBREDS card.

December 15, 2007

- NTRA/DRF Handicapping Contest Round 2A – VIP Offer - Qualifiers from Round 1 will receive 2 complimentary Turf Club admission passes and Valet parking pass.

December 16, 2007

- NTRA/DRF Handicapping Contest Round 2B – VIP Offer - Qualifiers from Round 1 will receive 2 complimentary Turf Club admission passes and Valet parking pass. The top 3 qualifiers from Golden Gate Fields will win a paid trip to Las Vegas to compete in the National Handicapping Contest.

December 22, 2007 – Closing Day

- Fan Appreciation Day

B. Number of hosts and hostesses employed for meeting:

4 Customer Service Representatives

5 Group Sales Representatives

C. Describe facilities set aside for new fans:

Horse Wizard Lounge – Easy to use totalisator machines geared toward new customers on how to wager in a fun filled interactive environment.

Customer Service – Our customer service center is open year round with trained customer service representatives to assist fans with general racing information, maintain our frequent fan club known as the THOROUGHBREDS, and assist with ExpressBet sign ups and account maintenance.

Mutuel Newcomer Window - A specific Mutuel teller window has been created which includes a hand-selected Mutuel clerk trained in customer service.

Manager on Duty Program – This program was designed to ensure interaction between managers, employees and the fans. There are 15 managers in rotation who are assigned specific days in which they interact with the fans to help with any questions while doing a site inspection for safety and cleanliness.

Group Sales Contest Area – All group attendees can enter contests for prizes which creates a festive atmosphere where people can mingle and share their handicapping prowess.

D. Describe any improvements to the physical facility in advance of the meeting that directly benefit:

1. Horsemen

- Installation of a new synthetic racetrack surface by October 2007 (see attached).

- Installation of a new Rider Protection Safety Rail on the inside and outside of track in coordination with synthetic track installation.
- Implementation of a new timing system in coordination with synthetic track installation.
- Replace lead weights that are placed in a carrying pouch under the race saddle with Best Pad race weight pads, a combination of felt, high-density polymer and vulcanized rubber. The pads are designed to distribute race weight uniformly, create a safer workplace because product does not contain lead, and provide maximum comfort to horse and rider.
- Extensive renovation of the barn area including: paving, slurry, roofing, painting, hot walker retrofit, lighting retrofit, and replace/repair water heaters.
- Complete remodeling of the Recreation Hall.
- New concrete walkway from the barn area to the frontside facility.
- Plan to enclose current bleacher area on backside to make a more comfortable area protected from inclement weather for trainers/owners to observe the workouts during morning training.

2. Fans

- Added a new Group area in the Winners' Circle area where fans can enjoy a close up view of the races with premium amenities.
- Constructed a "Lost in the Fog" tribute wall in the facility and erected a bronze plaque in his honor in the Winner's Circle.

3. Facilities in the restricted areas Equine Hospital

16. SCHEDULE OF CHARGES

A. Proposed charges, note any changes from the previous year:

Admission (general)	\$4.00
Admission (club house)	\$6.00
Admission (turf club)	\$10.00 Weekdays
Admission (turf club)	\$15.00 Weekends & Holidays
Reserved seating (general)	N/A
Reserved seating (clubhouse)	\$3.00 (No charge with Thoroughbreds card)
Parking (general)	\$4.00
Parking (preferred)	\$8.00
Parking (valet)	\$8.00
Programs (on-track)	\$2.25
(off-track)	\$2.25

Thoroughbred Club Members

General Admission:

1-3 Visits	\$3.00
4-8 Visits	\$2.50
9-15 Visits	\$2.00
16-20 Visits	\$1.50
Over 20 Visits	\$1.00

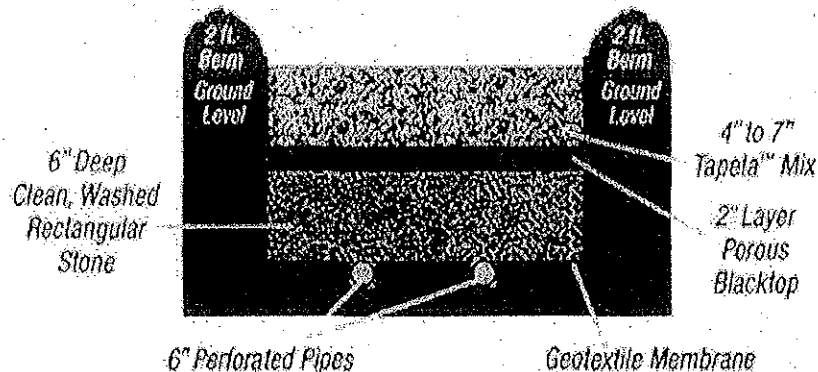
Club House Admission:

1-3 Visits	\$4.00
4-8 Visits	\$3.50
9-15 Visits	\$3.00
16-20 Visits	\$2.50
Over 20 Visits	\$2.00
Reserved seating	Free

PACIFIC RACING ASSOCIATION
SYNTHETIC TRACK INSTALLATION 2007
Attachment 15D (1)

PROJECT OVERVIEW

- Regrading and removal of existing sandy loam topsoil with the depth of the grading varying from a few inches up to 36 inches where drainage components will be installed.
- Installation of a new below-grade drainage system within the footprint of the existing track that consists of placement of approximately 115 four-inch pipes, covered by approximately six inches of stone, in turn covered by two inches of porous blacktop, topped with 4-7 inches of Tapeta track surface. The cross-slope of the track from the outside to the inside will be reduced from about 4% to a slope of 1.5% on the straightaways. The turns will remain the same at 4%.
- The racetrack composition will consist of the following (top to bottom):



- The Tapeta material consists of sand (silica), wax, and polymeric rubber fibers. It is described as a sandy greenish gray material with flecks of black and colored material.
- The resurfacing of the existing track and installation of new drainage system and track material will result in a change in level of the track from the existing 9 to 13 feet above sea level to 11 to 13 feet due to the reduction of slope toward the inside of the track. The storm water flow from the four-inch pipes will be collected in a drain that flows into a bio-swale on the inside ring of the track. The bio-swale will be constructed in the location of an existing non-engineered drainage ditch. The swale will have a depth of approximately four feet, and a slope down at 2:1 angle, with a minimum base width of three feet.
- The bio-swale will capture and hold runoff for drainage into three existing 24-inch drainage pipes that run from the drainage ditch, underneath the eastern side of the track (backstretch) for discharge into Codornices Creek.

- The project includes replacing the existing header board on the inside and outside edges of the track. The new header boards would be a maximum of 24 inches in height, the same height as the current header boards, and supported by posts set in concrete to a depth of at least 26 inches. No grading will occur outside the header board.
- Installation of a new fence of approximately eight feet in height on top of the header board as currently exists on the outside edge of the track.
- The project will include installation of a new Rider Protection safety rail by Horsemen's Track & Equipment, Inc. on the inside and outside of the track.

Thoroughbred Club Prepaid Admissions

Valid during live and ITW

TB Club Members can purchase a minimum of 30 Prepaid G/A admissions @ \$1.75 each

TB Club Members can purchase a minimum of 15 Prepaid C/H admissions @ 3.50 each

- B. Describe any "Season Boxes" and "Turf Club Membership" fees:

Turf Club – Full Season Single Membership	\$ 1,000.00
Turf Club – Full Season Dual Membership	\$ 2,000.00
Top of the Stretch – Full Season Membership	\$ 500.00
Club House Box (4 seats, no admission)	\$ 450.00
Club House Season Pass (Admission only)	\$ 400.00
Grandstand Season Pass (Admission only)	\$ 200.00

- C. Describe any "package" plans such as combined parking, admission and program: **None**

17. JOCKEYS/DRIVERS' QUARTERS

- A. Check the applicable amenities available in the jockeys/drivers' quarters:

<input checked="" type="checkbox"/> Corners (lockers and cubicles)	How many	<input type="text" value="23"/>
<input checked="" type="checkbox"/> Showers	<input checked="" type="checkbox"/> Steam room, sauna or steam cabinets	<input checked="" type="checkbox"/> Lounge area
<input checked="" type="checkbox"/> Masseur	<input checked="" type="checkbox"/> Food/beverage service	<input checked="" type="checkbox"/> Certified platform scale

- B. Describe the quarters to be used for female jockeys/drivers:

Fifteen by twenty foot room accessed from a community hallway. The room has a television and bed with an attached shower room, sink and toilet.

18. BACKSTRETCH EMPLOYEE HOUSING

- A. Inspection of backstretch housing will be completed by **Anne Glasscock in October 2007** (working with synthetic track installation schedule).
- B. Number of rooms used for housing on the backstretch of the racetrack: **128**
- C. Number of restrooms available on the backstretch of the racetrack:
18 with showers, 7 in office areas.
- D. Estimated ratio of restroom facilities to the number of backstretch personnel:
1 restroom for every 12 people.

19. TRACK SAFETY

- A. Total distance of the racecourse - measured from the finish line counterclockwise (3' from the inner railing) back to the finish line: feet.
- B. Describe the type(s) of materials used for the inner and outer railings of the race course, the type of inner railing supports (i.e., metal gooseneck, wood 4" x 4" uprights, offset wood 4" x 4" supports, etc.), the coverings, if any, on the top of the inner railing, and the approximate height of the top of the inner railing from the level of the race course.

Inner and outer railings are metal gooseneck. Coverings are Rider Protection Rail by Horsemen's Track & Equipment, Inc. Approximate height of the top of the inner railing is 42 inches.

- C. Name of the person responsible for supervision of the maintenance of the racetrack safety standards pursuant to CHRB Rule 1474:
Juan Meza
- D. Attach a Track Safety Maintenance Program pursuant to CHRB Rule 1474. **Attached**
- E. If the association is requesting approval to implement alternate methodologies to the provisions of Article 3.5, Track Safety Standards, pursuant to CHRB Rule 1471, attach a Certificate of Insurance for liability insurance which will be in force for the duration of the meeting specified in Section 2. The CHRB is to be named as a certificate holder and given not less than 10 days' notice of any cancellation or termination of liability insurance. Additionally, the CHRB must be listed as additionally insured on the liability policy at a minimum amount of \$3 million per incident. The liability insurance certificate must be on file in the CHRB headquarters office prior to the conduct of any racing. **Not applicable.**

20. DECLARATIONS

- A. All labor and lease agreements and concession and service contracts necessary to conduct the entire meeting have been finalized except as follows (if no exceptions, so state): **No exceptions.**
- B. Attach each horsemen's agreement pursuant to CHRB Rule 2044.
In negotiation -- will be submitted to Board upon receipt.
- C. Attach a lease agreement permitting the association to occupy the racing facility during the entire term of the meeting. (In the absence of either a lease agreement or a horsemen's agreement, a request for an extension pursuant to CHRB Rule 1407 shall be made). **Not applicable.**
- D. All service contractors and concessionaires have valid state, county or city licenses authorizing each to engage in the type of service to be provided and have valid labor agreements, when applicable, which remain in effect for the entire term of the meeting except as follows (if no exceptions, so state): **No exceptions.**
- E. Absent natural disasters or causes beyond the control of the association, its service contractors, concessionaires or horsemen participating at the meeting, no reasons are believed to exist that may result in a stoppage to racing at the meeting or the withholding of any vital service to the association except as follows (if no exceptions, so state): **No exceptions.**

NOTICE TO APPLICANT: Pursuant to CHRB Rules 1870 and 1871, the CHRB shall be given 15 days' notice in writing of any intention to terminate a horse racing meeting or the engagements or services of any licensee, approved concessionaire, or approved service contractor.

NOTICE TO APPLICANT: Pursuant to CHRB Rules 1870 and 1871, the CHRB shall be given 15 days' notice in writing of any intention to terminate a horse racing meeting or the engagements or services of any licensee, approved concessionaire, or approved service contractor.

21. CERTIFICATION BY APPLICANT

I hereby certify under penalty of perjury that I have examined this application, that all of the foregoing statements in this application are true and correct, and that I am authorized by the association to attest to this application on its behalf.

Robert Hartman
Print Name


Signature

General Manager
Print Title

8/8/07
Date

STAFF ANALYSIS
September 27, 2007

Issue: APPLICATION FOR LICENSE TO CONDUCT A HORSE RACING MEETING OF THE HOLLYWOOD PARK FALL RACING ASSOCIATION, LLC AT HOLLYWOOD PARK NOVEMBER 7, 2007 THROUGH DECEMBER 22, 2007.

Hollywood Park Fall Racing Association, LLC filed its application to conduct a thoroughbred horse racing meeting at Hollywood Park:

- November 7 through December 22, 2007, or 32 days, 4 less than 2006. The association proposes to race a total of 275 races, or 8.59 per day. In 2006 they raced 8.75 races per day with an average of 8.44 runners per race. The (actual) average daily purse for the fall 2006 meet was \$409,485. The (estimated) average daily purse for this meet is \$390,027.
- The race dates proposed are the dates the Board allocated.

November - 2007						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22 H	23	24
25	26	27	28	29	30	

December - 2007						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23/30	24/31	25 H	26	27	28	29

- Racing 5 days per week, Wednesdays through Sunday, with 8 races on Wednesday, Thursdays, Fridays and 9 or 10 races on a selected basis on Saturdays and Sundays, with 10 races on November 23, 24 and 25.
- First post 12:30 p.m. daily.
 - 7:05 p.m. post November 9 and 16.
 - 11:00 a.m. post November 22, Thanksgiving Day.
- Request Jennifer Paige be appointed horse identifier pursuant to CHRB Rule 1525.
- Track safety requirements have been fulfilled.
- Wagering program will use CHRB rules.
 - Early wagering 8:30 a.m. on the day of and advance-day wagering.
 - \$1 trifecta in any race that complies with Rule 1979 and a \$.10 superfecta in any race that complies with Rule 1979.1.
 - Pick 6 on last 6 races - 70% of net pool to be retained for the jackpot and no cap be set.
 - Pick 4 on first 4 races and last 4 races - designate the major share as 0%.
 - Offering option of an alternate selection in the place pick all, pick 6 and pick 4.
- The Advance Deposit Wagering (ADW) providers are to be determined.
- Simulcasting conducted with out-of-state racing jurisdictions pursuant to Business and Professions Code Section 19602; and with authorized locations throughout California.

- Inspection of backstretch worker housing completed.

Specific information **still needed** to complete this application includes

1. Horsemen's agreement.
2. CTT agreement.
3. Horseshoe Inspector.
4. Levy Concessionaire license renewal.
5. Workers Compensation

RECOMMENDATION:

Staff recommends that the application for license not be heard unless the missing information is provided.

Application is hereby made to the California Horse Racing Board (CHRB) for a license to conduct a horse racing meeting in accordance with the California Business and Professions (B&P) Code, Chapter 4, Division 8, Horse Racing Law, and the California Code of Regulations, Title 4, Division 4, CHRB Rules and Regulations.

1. APPLICANT ASSOCIATION

- A. **Hollywood Park Fall Racing Association, LLC**
1050 South Prairie Avenue
Inglewood, California 90301
(310) 419-1500 phone
(310) 671-4460 fax

B. Breed of horse: ☒ TB ☐ QH ☐ H

C. Racetrack name: **Hollywood Park**

D. Attach a certified check payable to the Treasurer of the State of California in the amount of \$10,000 as deposit for license fees pursuant to B&P Code Section 19490. **On File**

NOTICE TO APPLICANT: Application must be filed not later than 90 days before the scheduled start date for the proposed meeting pursuant to CHRB Rule 1433.

2. DATES OF MEETING

A. Inclusive dates for the entire meeting: **November 7 through December 22, 2007.**

B. Actual dates racing will be held: **November 7, 8, 9, 10, 11, 14, 15, 16, 17, 18, 21, 22, 23, 24, 25, 28, 29, 30, December 1, 2, 5, 6, 7, 8, 9, 12, 13, 14, 15, 16, 21, 22**

C. Total number of days or nights of racing: **32**

D. Days or nights of the week races will be held:
☒ Wed - Sun ☐ Tues - Sat ☒ Other (specify)

Dark Wednesday, December 19 and Thursday, December 20

E. Number of days or nights of racing per week: **5**

3. RACING PROGRAM

A. Total number of races: **275**

B. Number of races for each day or night: **8 races on Wednesdays, Thursdays and Fridays; 9 or 10 races on a selected basis on Saturdays and Sundays, with 10 races on Friday, November 23, Saturday, November 24, Sunday, November 25.**

CHRB CERTIFICATION

Application received: **8/7/07**
Deposit received:
Reviewed: **[Signature]**

Hearing date: **9/27/07**
Approved date:
License number:

- C. Total number of stakes races: **23 (17 Stakes and 6 overnight stakes)**
- D. Attach a listing of all stakes races and indicate the date to be run and the added money or guaranteed purse for each. Note the races that are designated for California-bred horses. **Enclosed.**
- E. Will provisions be made for owners and trainers to use their own registered colors?
☒ Yes ☐ No If no, what racing colors are to be used:
- F. List all post times for the daily racing program:

<i>Race</i>	All days except Fridays November 9 & 16 and Thursday, November 22	Friday Nights (November 9 & 16)	Thanksgiving Day, Thursday November 22
1 st	12:30 p.m.	7:05 p.m.	11:00 am
2 nd	1:00 p.m.	7:35p.m.	11:30 am
3 rd	1:30 p.m.	8:05 p.m.	12:00 noon
4 th	2:00 p.m.	8:35 p.m.	12:30 pm
5 th	2:30 p.m.	9:05 p.m.	1:00 pm
6 th	3:00 p.m.	9:35 p.m.	1:30 pm
7 th	3:30 p.m.	10:05 p.m.	2:00 pm
8 th	4:00 p.m.	10:35p.m.	2:30 pm
9 th *	4:30 p.m.		
10 th *	5:00 p.m.		

* When applicable

NOTICE TO APPLICANT: Every licensee conducting a horse racing meeting shall each racing day provide for the running of at least one race limited to California-bred horses, to be known as the "California-bred race" pursuant to CHRB Rule 1813. For thoroughbred and quarter horse meetings, the total amount distributed for California-bred stakes races from the purse account, including overnight stakes, shall not be less than 10% of the total amount distributed for all stakes races pursuant to B&P Code Section 19568(b).

4. RACING ASSOCIATION

- A. Association is a: ☐ Corporation (complete subsection C)
☒ LLC (complete subsection D)
☐ Other (specify, and complete subsection E)
- B. Complete the applicable subsection and attached Addendum, Background Information and Ownership. **On file**
- C. CORPORATION – N/A
- D. LLC
- Registered name of the LLC: **Hollywood Park Fall Racing Association, LLC**
 - State where articles of organization are filed: **Delaware**
 - Registry or file number for the LLC: **3993459**

4. Names of all officers and directors, titles, and the number of shares of the LLC held by each:
- | | |
|---|----------|
| Terrence Fancher, Chairman & Director | 0 |
| Jack Liebau, President | 0 |
| Kristin Renaudin, Secretary | 0 |
| Charlene Kiley, Vice President & Chief Financial Officer | 0 |
| Eual Wyatt, Vice President | 0 |
| Barbara Helm, Vice President, Finance | 0 |
| Martin Panza, Vice President | 0 |
| Bernie Thurman, Vice President | 0 |
| Michael Ziegler, Vice President | 0 |
| Dyan Grealish, Vice President | 0 |
5. Names (true names) of all members, other than the officers and directors listed above, that hold 5% or more of the outstanding shares in the LLC and the number of shares held by each: **N/A**
6. Are the shares listed for public trading? ☐ Yes ☒ No
If yes, on what exchange and how is the stock listed:
7. If more than 50% of the shares are held by a parent corporation or are paired with any other corporation or entity, give the name of the parent and/or paired corporation or entity:
Stockbridge Real Estate Partners II, LLC is the general partner of the Fund which owns the Applicant
8. Attach the most recent audited annual financial statement for the licensee, including balance sheet and profit and loss statement, and a copy of a report made during the preceding 12 months to shareholders in the LLC and/or the Securities and Exchange Commission and/or the California Corporations Commission. **Balance sheet on file with the CHRB.**

E. OTHER -- N/A

F. Management and Staff

1. Name and title of the managing officer and/or general manager of the association and the name and title of all department managers and staff, other than those listed in 10B, who will be listed in the official program:
- F. Jack Liebau, President**
 - Eual G. Wyatt, Jr., Vice President & General Manager**
 - Michael Ziegler, Vice President and Assistant General Manager**
 - Charlene Kiley, Vice President & Chief Financial Officer**
 - Dyan Grealish, Vice President**
 - Barbara Helm, Vice President, Finance**
 - Martin Panza, Vice President-Racing**
 - Bernie Thurman, Vice President**
 - Don Barney, Director of Security & Safety**
 - Cleon Bounds, Property Manager**
 - Bernie Eastridge, Turf Course Superintendent**
 - Diane Hudak, Horsemen's Liaison**
 - Russell Hudak, Timer, Morning Line Maker**
 - Michael Mooney, Director of Media Relations**
 - Robert Poole, Director of Pari-Mutuels**
 - Roger Roman, Director of Broadcasting**
 - Vic Stauffer, Track Announcer**
 - Mark Tomes, Plant Superintendent**

HOLLYWOOD PARK FALL MEETING 2007 PROPOSED STAKES SCHEDULE

<u>DATE</u>	<u>STAKE</u>	<u>PURSE/DISTANCE</u>
Sun. Nov. 11	MOCCASIN STAKES Fillies, Two Years Old	\$100,000 Added Seven Furlongs
Sat. Nov. 17	SHARP CAT STAKES Fillies, Two Years Old	\$100,000 Added One Mile & One Sixteenth
Sun. Nov. 18	REAL QUIET STAKES Two Year Olds	\$100,000 Added One Mile & One Sixteenth
Thur. Nov. 22	HOLLYWOOD PREVUE STAKES (GRADE III) Two Year Olds	\$100,000 Added Seven Furlongs

TURF FESTIVAL

Fri. Nov. 23	CITATION HANDICAP (GRADE I) Three Year Olds & Upward	\$400,000 One Mile and One Sixteenth (Turf)
	GENEROUS STAKES (GRADE III) Two Year Olds	\$100,000 Added One Mile (Turf)
Sat. Nov. 24	HOLLYWOOD TURF EXPRESS (GRADE III) Three Year Olds & Upward	\$150,000 Six Furlongs (Turf)
	MIESQUE STAKES (GRADE III) Fillies, Two Years Old	\$100,000 Added One Mile (Turf)
Sun. Nov. 25	THE MATRIARCH (GRADE I) Fillies & Mares, Three Year Olds & Upward	\$500,000 One Mile (Turf)
	HOLLYWOOD DERBY (GR. I) Three Year Olds	\$500,000 One Mile and One Quarter (Turf)

Sat. Dec. 1	BAYAKOA HANDICAP (GRADE II) Fillies & Mares, Three Year Olds & Upward	\$150,000 One Mile and One Sixteenth
Sun. Dec. 2	VERNON O. UNDERWOOD (GRADE III) Three Year Olds & Upward	\$100,000 Added Six Furlongs
Sat. Dec. 8	HOLLYWOOD TURF CUP (GRADE I) Three Year Olds & Upward	\$250,000 One Mile and One Half (Turf)

2007 FALL STAKES SCHEDULE B (Cont.)

Sat. Dec. 8	NATIVE DIVER HANDICAP (GRADE III) Three Year Olds & Upward	\$100,000 Added One Mile and One Eighth
Sat. Dec. 15	HOLLYWOOD STARLET (GRADE I) Fillies, Two Years Old Nominations Friday, May 11, 2007	\$250,000 Guaranteed (\$200,000 Added) One Mile and One Sixteenth
Sun. Dec. 16	DAHLIA HANDICAP (GRADE II) Fillies & Mares, Three Year Olds & Upward	\$150,000 One Mile and One Sixteenth (Turf)
Sat. Dec. 22	CASHCALL FUTURITY (GRADE I) Two Year Olds Nominations Friday, May 11, 2007	\$750,000 Guaranteed One Mile and One Sixteenth

HOLLYWOOD PARK FALL MEETING
2007 PROPOSED OVERNIGHT STAKES SCHEDULE

<u>DATE</u>	<u>STAKE</u>	<u>PURSE/DISTANCE</u>
Wed. Nov. 7	WAR CHANT STAKES Three Year	\$65,000 Added One Mile (Turf)
Sat. Nov. 10	AUDREY S. KENIS STAKES Fillies, Three Years Old	\$65,000 Added One Mile & One Eighth (Turf)
Thur. Nov. 22	HERMOSA BEACH HANDICAP Fillies & Mares, Three Years Old & Upward	\$65,000 Added One Mile and One Half (Turf)
Sun. Dec. 9	PLAYA DEL REY STAKES Fillies & Mares, Three Years Old & Up	\$65,000 Added Six Furlongs
Fri. Dec. 21	CAT'S CRADLE HANDICAP Fillies & Mares, Three Year Olds & Upward, Cal-Bred	\$100,000 * Seven and One Half Furlongs
Saturday Dec. 22	ON TRUST HANDICAP Three Year Olds & Upward, Bred in California	\$100,000 * Seven and One Half Furlongs

* \$25,000 From Cal-Bred Stakes Fund.

F. Management and Staff (continued)

Cole Younger, Operations Manager**Kerlan-Jobe Orthopedic, Jockeys' Physician**

2. Name and title of the person(s) authorized to receive notices on behalf of the association and the mailing address of such person(s) if other than the mailing address of the association:

F. Jack Liebau, President, 2600 South Delaware Street, San Mateo, CA 94403**5. PURSE PROGRAM**

Please note that there were 36 race days during the prior meeting compared to 32 race days for the current meeting.

A. Purse distribution:

1. All races other than stakes

Current meet estimate: **\$8,486,000 (includes an under-payment carryover of \$400,000)**

Prior meet actual: **\$9,495,000**

Average Daily Purse (5A1 ÷ number of days):

Current meet estimate: **\$265,000**

Prior meet estimate: **\$264,000**

2. Overnight stakes:

Current meet estimate: **\$410,000**

Prior meet actual: **\$330,000**

Average Daily Purse (5A2 ÷ number of days):

Current meet estimate: **\$12,800**

Prior meet estimate: **\$9,200**

3. Non-overnight stakes:

Current meet estimate: **\$2,900,000 (does not include sponsor's supplement to stakes)**

Prior meet actual: **\$2,765,400**

Average Daily Purse (5A3 ÷ number of days):

Current meet estimate: **\$90,600**

Prior meet estimate: **\$76,800**

B. Stakes races:

1. Purse distribution for all stakes races:

Current meet estimate: **\$3,310,000**

Prior meet actual: **\$3,095,400**

Average Daily Purse (5B1 ÷ number of days):

Current meet estimate: **\$103,400**

Prior meet estimate: **\$86,000**

2. Percentage of the purse distribution for all stakes races that will be distributed for California-bred stakes races:

Current meet estimate: **4.5%**

Prior meet actual: **4.9%**

Average Daily Purse (5B2 ÷ number of days):

Current meet estimate: **0.14**

Prior meet estimate: **0.13**

C. Funds to be generated for all California-bred incentive awards:

Current meet estimate: **\$943,000**
 Prior meet actual: **\$1,066,000**

D. Payment to each recognized horsemen's organization contracting with the association and the name(s) of the organization(s):

Recognized Horsemen's Organization	Current meet estimate:	Prior meet actual:
TOC	\$117,618	\$133,800
CTT - Pension	117,619	133,800
CTT - Admin	58,809	68,899
NTRA	70,499	50,100
Total	\$364,545	\$384,599

E. Amount from all sources to be distributed in the form of purses or other benefits to horsemen (5A + 5C + 5D):

Current meet estimate: **\$13,103,545**
 Prior meet actual: **\$14,040,999**

Average Daily Purse (5E ÷ number of days):

Current meet estimate: **\$409,485**
 Prior meet estimate: **\$390,028**

F. Purse funds to be generated from on-track handle and intrastate off-track handle:

Current meet estimate: **\$8,650,376**
 Prior meet actual: **\$9,944,899**

Average Daily Purse (5F ÷ number of days):

Current meet estimate: **\$270,324**
 Prior meet estimate: **\$276,247**

G. Purse funds to be generated from interstate handle:

Current meet estimate: **\$3,101,449**
 Prior meet actual: **\$3,422,940**

Average Daily Purse (5G ÷ number of days):

Current meet estimate: **\$96,920**
 Prior meet estimate: **\$95,082**

H. Bank and account number for the Paymaster of Purses' purse account: **Cal National #On file**

I. Name, address and telephone number of the pari-mutuel audit firm engaged for the meet:

**Bowen & Mc Beth Inc. 10722 Arrow Highway, Suite 110 ,Rancho Cucamonga, Ca. 91730
 909/944-6465**

CHRB-17 (Rev. 12/06)

NOTICE TO APPLICANT: All funds generated and retained from on-track pari-mutuel handle which are obligated by law for distribution in the form of purses, breeders' awards or other benefits to horsemen, **shall not** be deemed as income to the association; **shall not** be transferred to a parent corporation outside the State of California; and **shall**, within 3 calendar days following receipt, be deposited in a segregated and separate liability account in a depository approved by the CHRB and shall be at the disposition of the Paymaster of Purses, who shall pay or distribute such funds to the persons entitled thereto. All funds generated from off-track simulcast wagering, interstate wagering, and out-of-state wagering which are obligated by law for distribution in the form of purses and breeders' awards, shall also be deposited within 3 calendar days following receipt, into such liability account. In the event the association is obligated to the payment of purses prior to those obligated amounts being retained from pari-mutuel wagering for such purpose, or as a result of overpayment of earned purses at the conclusion of the meeting, the association shall transfer from its own funds such amounts as are necessary for the Paymaster of Purses to distribute to the horse owners statutorily or contractually entitled thereto. The association is entitled to recover such transferred funds from the Paymaster of Purses' account; and if insufficient funds remain in the account at the conclusion of the meeting, the association is entitled to carry forward the deficit to its next succeeding meeting as provided by B&P Code Section 19615(c) or (d). In the event of **underpayment** of purses which results in a balance remaining in the Paymaster of Purses' account at the conclusion of the meeting after distribution of amounts due to horsemen and breeders and horsemen's organizations, the association may carry forward the surplus amount to its next succeeding meeting; provided, however, that the amount so retained does not exceed an amount equivalent to the average daily distribution of purses and breeders' awards during the meeting. All amounts in excess shall be distributed retroactively and proportionally in the form of purses and breeders' awards to the horse owners and breeders having earned purses or awards during the conduct of the meeting.

6. STABLE ACCOMMODATIONS

- A. Number of usable stalls available for racehorses at the track where the meeting is held: **1,950**
- B. Minimum number of stalls believed necessary for the meeting: **1,950**
- C. Total number of usable stalls to be made available off-site at approved auxiliary stabling areas or approved training centers: **2,500**
- D. Name and location of each off-site auxiliary stabling area and the number of stalls to be maintained at each site:
- | | |
|---------------------------|--------------|
| Santa Anita | 1,500 |
| Pomona | 500 |
| San Luis Rey Downs | 500 |
- E. Attach each contract or agreement between the association and the person(s) furnishing off-site stabling accommodations for eligible racehorses that cannot be provided stabling on-site. **On file**

Complete subsections F through H if the association will request reimbursement for off-site stabling as provided by B&P Code Sections 19607, 19607.1, 19607.2, and 19607.3; otherwise, skip to Section 7.

- F. Total number of usable stalls made available on-site for the **1986** meeting: **2,000**
- G. Estimated cost to provide off-site stalls for this meeting: **\$1,100,000**. Show cost per day per stall:
Average cost: **\$10.00**
- H. Estimated cost to provide vaning from off-site stalls for this meeting. Show fees to be paid for vaning per-horse: **\$225,000**
- | | | |
|-----------------|---------------------|--------------|
| Roundtrip from: | Santa Anita | \$180 |
| | Pomona | \$200 |
| | San Luis Rey | \$320 |
| | Los Alamitos | \$180 |

7. PARI-MUTUEL WAGERING PROGRAM

- A. Pursuant to B&P Code Section 19599, and with the approval of the CHRB, associations may elect to offer wagering programs using CHRB Pari-mutuel Rules, the Association of Racing Commissioners International (RCI) Uniform Rules of Racing, Chapter 9, Pari-mutuel Wagering, or a combination of both. Please complete the following schedule for the types of wagering other than WPS and the minimum wager amount for each:

Use DD for daily double, E for exacta (special quinella), PK3 for pick three, PK4 for select four, PNP for pick (n) pool, PPN for place pick (n), Q for quinella, SF for superfecta, TRI for trifecta, and US for unlimited sweepstakes (pick 9).

	TYPE OF WAGERS	APPLICABLE RULES
Race #1 *	\$2DD	CHRB 1957
	\$1E	CHRB 1959
	\$1PPN	CHRB 1976.8
	\$1PK3	CHRB 1977
	\$2Q	CHRB 1958
	\$1 PNP (Pick 4)	CHRB 1976.9
Race #2 *	\$2DD	CHRB 1957
	\$1E	CHRB 1959
	\$1PK3	CHRB 1977
	\$2Q	CHRB 1958
Race #3 *	\$2DD	CHRB 1957
	\$1E	CHRB 1959
	\$1PK3	CHRB 1977
	\$2Q	CHRB 1958
	\$2 PNP (Pick 6 when 8 races)	CHRB 1976.9
Race #4 *	\$2DD	CHRB 1957
	\$1E	CHRB 1959
	\$1PK3	CHRB 1977
	\$2Q	CHRB 1958
	\$2 PNP (Pick 6 when 9 races)	CHRB 1976.9
Race #5 *	\$2DD	CHRB 1957
	\$1E	CHRB 1959
	\$1PK3	CHRB 1977
	\$2Q	CHRB 1958
	\$2PNP (Pick 6 when 10 races)	CHRB 1976.9
	\$1PNP (Pick 4 when 8 races)	CHRB 1976.9
Race #6 *	\$2DD	CHRB 1957
	\$1E	CHRB 1959
	\$1PK3	CHRB 1977
	\$2Q	CHRB 1958
	\$1PNP (Pick 4 when 9 races)	CHRB 1976.9
Race #7 *	\$2DD	CHRB 1957
	\$1E	CHRB 1959
	\$1PK3 (when 9 or more races)	CHRB 1977
	\$2Q	CHRB 1958
	\$1PNP (Pick 4 when 10 races)	CHRB 1976.9

7. PARI-MUTUEL WAGERING PROGRAM (continued)

Race #8 *	\$2 DD (when 9 or more races)	CHRB 1957
	\$1E	CHRB 1959
	\$1PK3 (when 10 races)	CHRB 1977
	\$2Q	CHRB 1958
Race #9 *	\$1E	CHRB 1959
	\$2Q	CHRB 1958
	\$2 DD (when 10 races)	CHRB 1957
Race #10*	\$1E	CHRB 1959
	\$2Q	CHRB 1958

* \$1Trifecta in any race when we can comply with CHRB Rule 1979. 10 cent Superfecta in any race when we can comply with CHRB Rule 1979.1. The Pick 6 [P(n)P] will be offered on the last 6 races of the card. In accordance with CHRB Rule 1976.9 we designate that seventy percent (70%) of the net Pick 6 pool be retained for the jackpot and that no cap be set on the jackpot. A Pick 4 (PnP) will be offered on the first 4 and last 4 races of the card. In accordance with CHRB Rule 1976.9 we designate that major share of the Pick 4 pool be designated as 0%. Additionally, we will offer our patrons the option of an alternate selection pick in the place Pick All and Pick 6 and Pick 4. Additionally we will offer Win, Place or Show parlay wagering in accordance with CHRB 1954.1.

NOTE: Applicant reserves the right to offer or substitute additional wagers approved prior to or during its meeting.

- B. Maximum carryover pool to be allowed to accumulate before its distribution **OR** the date(s) designated for distribution of the carryover pool: **Closing day, December 22, 2007**
- C. List any options requested with regard to exotic wagering: **B & P Code Section 19611.5**
- D. Will "advance" or "early bird" wagering be offered? ☒ Yes ☐ No
If yes, when will such wagering begin: **8:30 am on the day of and advance-day wagering.**
- E. Type(s) of pari-mutuel or totalizator equipment to be used by the association and the simulcast organization, name of the person(s) supplying equipment, and expiration date of the service contract:
Scientific Games, September 2012

8. ADVANCE DEPOSIT WAGERING (ADW)

- A. Identify the ADW provider(s) to be used by the association for this race meeting: **To be determined**

9. SIMULCAST WAGERING PROGRAM

- A. Simulcast organization engaged by the association to conduct simulcast wagering: **Southern California Off-Track Wagering, Inc.**
- B. Attach the agreement between the association and simulcast organization permitting the organization to use the association's live audiovisual signal for wagering purposes and providing access to its totalizator for the purpose of combining on-track and off-track pari-mutuel pools. **On File with CHRB**
- B. California simulcast facilities the association proposes to offer its live audiovisual signal:

National Orange Show (San Bernardino)
Del Mar Fair (Del Mar)

Barona Indian Reservation
Sycuan Tribe

Ventura County Fair	Cabazon Indian Reservation
Riverside County Nat'l Date Fest. (Indio)	Viejas Indian Reservation
Lake Perris Fairgrounds	Santa Anita Racetrack
Santa Barbara Horse & Flower Show (S.B.)	L.A. County Fair (Pomona)
Santa Barbara County Fair (Santa Maria)	Los Alamitos Race Course
Antelope Valley Fair & Alfalfa Fest. (Lancaster)	San Bernardino County Fair (Victorville)
All Northern California locations authorized to conduct pari-mutuel wagering	

- D. Out-of-state wagering systems the association proposes to offer its live audiovisual signal:
Attachment "A"
- E. Out-of-state wagering systems that will combine their pari-mutuel pools with those of the association:
Attachment "A"
- F. For **THOROUGHBRED** racing associations, list the host track from which the association proposes to import out-of-state and/or out-of-country thoroughbred races. Include the dates imported races will be held, and whether or not a full card will be accepted. If the full card will not be imported, state "selected feature and/or stakes races": **See Attachment "B"**

NOTICE TO APPLICANT: B&P Code Section 19596.2(a) stipulates that on days when live thoroughbred or fair racing is being conducted in the state, the number of thoroughbred races which may be imported by an association or fair during the calendar period the association or fair is conducting its racing meeting cannot exceed a combined daily total of 23 imported thoroughbred races statewide. The limitation of 23 imported thoroughbred races per day statewide does not apply to those races specified in B&P Code Section 19596.2(a)(1), (2), (3) and (4).

THOROUGHBRED SIMULCAST RACES TO BE IMPORTED

Name of Host Track	Race Dates	Full Card or Selected Feature and/or Stakes Races
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- G. For **QUARTER HORSE** racing associations, list the host track from which the association proposes to import out-of-state and/or out-of-country quarter horse races. Include the dates imported races will be held, and whether or not a full card will be accepted. If the full card will not be imported, state "selected feature and/or stakes races": **N/A**

QUARTER HORSE SIMULCAST RACES TO BE IMPORTED

Name of Host Track	Race Dates	Full Card or Selected Feature and/or Stakes Races
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- H. For **STANDARD BRED** racing associations, list the host tracks from which the association proposes to import out-of-state and/or out-of-country harness races. Include the dates imported races will be held, and whether or not a full card will be accepted. If the full card will not be imported, state "selected feature and/or stakes races": **N/A**

HARNESS SIMULCAST RACES TO BE IMPORTED

Name of Host Track	Race Dates	Full Card or Selected Feature and/or Stakes Races
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- I. For **ALL** racing associations, list imported simulcast races the association plans to receive which use breeds other than the breed of the majority of horses racing at its live horse racing meeting. Include the name of the host track, the dates imported races will be held, and how many races will be imported: **Wagering will be offered on all races conducted or imported by Los Alamitos (Quarter Horse) and Cal Expo (Harness)**

Attachment A – Section 9D and 9E

Out of State Wagering Systems the association proposes to offer its live audiovisual signal. Locations that will not combine their pools with those of the association are marked with an asterisk (*)

Acoma Pueblo Casino	*MIR/Caliente (Mexico, Latin America, South America)
Ajax Downs (Canada)	Mobile Greyhound Park
AmWest Entertainment	Mohegan Sun Casino
Arapahoe Park	Mohegan Sun at Pocono Downs
Arima Race Club (Trinidad and Tobago)	Monmouth Park
Arlington Park	Montana Simulcast Partners
Assiniboia Downs (Canada)	Monticello Raceway
Atlantic City Race Course	Mountaineer Park
Atlantis Paradise Casino (Bahamas)	Mt. Pleasant Meadows
Atokad Downs	Nassau Regional OTB
Balmoral Park	Nebraska State Fair Park
Bangor Historic Track	*Nevada Disseminator Service (NDS)
Batavia Downs	Nevada Pari-Mutuel Association
Beulah Park	New Jersey Casinos
Birmingham Race Course	New York City OTB
Blue Ribbon Downs	NYRA
Bluffs Run Greyhound Park	Newport Jai-Alai
Buffalo Raceway	Northfield Park
Calder Race Course	Northlands Park (Canada)
Canterbury Park	Northville Downs
Capital District OTB	Oaklawn Park
Catskill District OTB	Ocean Downs Racetrack
Charles Town Race Course	Oneida Casino
Charlottetown Raceway (Canada)	Penn National
Choctaw Racing Services	Philadelphia Park
Churchill Downs	Plainridge Racecourse
Churchill Downs Technology Initiatives	Pojoaque Casino (aka Cities of Gold Casino)
Company (dba twinspires.com, winticket.com, brisbet.com, tsnbet.com, lcanbet.com, Betharness.com, Thoroughbets.com, Myracebet.com, Watchandwager.com, Hipodromoenlinea.com, Racelinebet.com, Betpad.com)	Pony Bar Simulcast Center (St. Thomas)
Clinton Raceway (Canada)	Portland Meadows
Coeur D'Alene Casino	Prairie Meadows
Colonial Downs	Presque Isle Downs
Columbus Races	Quinte Raceway (Canada)
Comanche Nation Games	Raceway Park
Connecticut OTB	Racing World (UK & IRE)
Corpus Christi Greyhound Park	Randall James Racetrack (St. Croix)
Crystal Palace Casino (Bahamas)	Raynham Taunton Greyhound
Dairyland Greyhound	Remington Park
Delaware Park	Retama Park
Delta Downs	RGS (St. Kitts)
Divi Carina Bay Casino (St. Croix)	Rideau Carlton Raceway (Canada)
Dover Downs	River Downs
Downs at Albuquerque	Rockingham Park
Dubuque Greyhound Park	Rocky Mountain Turf Club (Canada)
Elite Turf Club (Curacao)	Rosecroft Raceway
Ellis Park	Royal Beach Casino (St. Kitts)
Emerald Downs	Royal River Racing
Eureka Downs	Ruidoso Downs
	Sam Houston Race Park
	Saratoga Gaming and Raceway
	Scarborough Downs
	Scioto Downs

Evangeline Downs

Attachment A (continued)

Fair Grounds

Fair Meadows

Fairmount Park

Finger Lakes

Flamboro Downs (Canada)

Fonner Park

Foxwoods Casino

Fraser Downs (Canada)

Freehold Raceway

Ft. Erie Race Track (Canada)

Georgian Downs (Canada)

Gillespie County Fair

Grand River Raceway (Canada)

Great Lakes Downs

Greenetrack

Greyhound Track at Post Falls

Gulf Greyhound Park

Gulfstream Park

Hanover Raceway (Canada)

Harrah's Chester Casino and Racetrack

Harrah's Louisiana Downs

Harrington Raceway

Hastings Park (Canada)

Hawthorne

Hazel Park

Hiawatha Horse Park (Canada)

Hinsdale Greyhound Park

Hippodrome de Montreal (Canada)

*Hippodromo Presidente Remon

Ho-Chunk Casino

Hoosier Park

Horsemen's Park

Indiana Downs

International Racing Group (Curacao)

Jackson Harness

John Martin's Manor Restaurant

Kawartha Downs Raceway (Canada)

Keeneland

*LVDC

Lebanon Raceway

Les Bois Park

Lewiston Raceway

Lien Games

Lincoln Greyhound Park (aka Twin Rivers)

Lodge at Belmont Greyhound

Lone Star Park

Manor Downs

Marquis Downs (Canada)

Maryland Jockey Club

Maywood Park

Meadowlands

MEC International (aka Global Wagering Solutions) (Austria, Germany, UK, IRE)

Meskwaki Casino

Seabrook Greyhound

Shoreline Star Greyhound

Southland Greyhound Park

Sports Creek

Stables Casino

Sudbury Downs (Canada)

Suffolk Downs

Suffolk Regional OTB

Sunland Park

Sun Ray Park

Tampa Bay Downs

Tartan Downs (Canada)

The Meadows

The Stables Casino

Thistledown

Tioga Downs

Tote Investment Racing Service (Barbados)

Tri-State Greyhound Park

Truro Raceway (Canada)

Turf Paradise

Turfway Park

TVG

Valley Greyhound

Vernon Downs

Victoryland Greyhound Park

Western Fair Raceway (Canada)

Western Regional OTB

Wheeling Downs

Wichita Greyhound Park

Will Rogers Downs

Winners OTB

Windsor Raceway (Canada)

Wonderland Greyhound Park

Woodbine Entertainment Group (Canada)

Woodlands

Wyoming OTB

Xpressbet

Yavapai Downs

Yonkers Raceway

Youbet

Zia Park

Attachment B – Section 9F**THOROUGHBRED SIMULCAST RACES TO BE IMPORTED**

Name of Host Track	Race Dates	Full Card or Selected Feature and/or Stakes Races
Aqueduct	11/07 - 12/22/07	Full Card or Partial Cards
Beulah Park	11/07 - 12/22/07	Full Card or Partial Cards
Calder	11/07 - 12/22/07	Full Card or Partial Cards
Churchill Downs	11/07 - 11/24/07	Full Card or Partial Cards
Delaware Park	11/07 - 11/18/07	Full Card or Partial Cards
Delta Downs	11/07 - 12/22/07	Full Card or Partial Cards
Fair Grounds	11/22 - 12/22/07	Full Card or Partial Cards
Hawthorne Park	11/07 - 12/22/07	Full Card or Partial Cards
Hoosier Park	11/07 - 11/24/07	Full Card or Partial Cards
Japan Racing	11/23 and 11/24/07	Partial Cards
Laurel Park	11/07 - 12/22/07	Full Card or Partial Cards
Meadowlands	11/07 - 11/10/07	Full Card or Partial Cards
Philadelphia Park	11/07 - 12/22/07	Full Card or Partial Cards
Portland Meadows	11/07 - 12/22/07	Full Card or Partial Cards
Remington Park	11/07 - 12/22/07	Full Card or Partial Cards
Sam Houston	11/07 - 12/22/07	Full Card or Partial Cards
South America	11/07 - 12/22/07	Full Card or Partial Cards
Suffolk Downs	11/07 - 11/10/07	Full Card or Partial Cards
Sunland Park	12/14 - 12/22/07	Full Card or Partial Cards
Tampa Bay	12/08 - 12/22/07	Full Card or Partial Cards
Thistledown	11/07 - 11/26/07	Full Card or Partial Cards
Turf Paradise	11/07 - 12/22/07	Full Card or Partial Cards
Turfway Park	11/25 - 12/22/07	Full Card or Partial Cards
United Kingdom	11/07 - 12/22/07	Full Card or Partial Cards
Woodbine	11/07 - 12/9/07	Full Card or Partial Cards
Zia Park	11/07 - 12/11/07	Full Card or Partial Cards

OTHER BREED SIMULCAST RACES TO BE IMPORTED

Name of Host Track	Breed of Horse	Race Dates	Number of Races to be Imported
--------------------	----------------	------------	--------------------------------

- J. For ALL racing associations, if any out-of-state or out-of-country races will commence outside of the time constraints set forth in B&P Code Section 19596.2 and 19596.3, attach a copy showing the agreement by the appropriate racing association(s). N/A

NOTICE TO APPLICANT: All interstate wagering to be conducted by an association is subject to the provisions of Title 15, United States Codes, which require specific written approval of the CHRB and of the racing commission having jurisdiction in the out-of-state venue. All international wagering to be conducted by an association is subject to the provision of B&P Code Sections 19596, 19596.1, 19596.2, 19601, 19602, and 19616.1, and will require specific written approval of the CHRB.

Every association shall pay over to the simulcast organization within 3 calendar days following the closing of wagering for any day or night racing program, or upon receipt of the proceeds, such amounts that are retained from off-track simulcast wagering, interstate and out-of-state wagering, and which are obligated by statute for guest commissions, simulcast operator's expenses and promotions, equine research, local government in-lieu taxes, and stabling and vanning deductions. Every association shall pay to its Paymaster of Purses' account within 3 calendar days following the closing of wagering for each day or night racing program, or upon receipt of the proceeds, such amounts that are retained or obligated from off-track simulcast wagering, interstate and out-of-state wagering for purses, breeders' awards or other benefits to horsemen. (See Notice to Applicant, Section 5.)

10. CHARITY RACING DAYS

- A. Name and address of the distributing agent (charity foundation) for the net proceeds from charity racing days held by the association: **Hollywood Park Racing Charities, 1050 South Prairie Avenue Inglewood, California 90301 310-419-1518**

- B. Names and addresses of the trustees or directors of the distributing agent:

Tirso del Junco, M.D.
Chairman & President
4924 Sunset Boulevard
Los Angeles, CA 90027

Miss Angie Dickinson
Treasurer
P. O. Box 369
Inglewood, CA 90306

Mr. Willie D. Davis
Vice-President
P. O. Box 369
Inglewood, CA 90306

Mrs. Barbara Knight
Secretary
P. O. Box 369
Inglewood, CA 90306

Rick Baedeker
c/o Hollywood Park
1050 South Prairie Ave.
Inglewood, CA 90301

Alvin Segel, Esq.
Irell & Manella
1800 Avenue of the Stars, #900
Los Angeles, CA 90067

- C. Dates the association will conduct races as charity racing days OR:

- D. Will the association pay the distributing agent an amount equal to the maximum required under B&P Code Section 19550(b)? ☒ Yes

NOTICE TO APPLICANT: Net proceeds from charity racing days shall be paid to the designated and approved distributing agent within 180 days following the conclusion of the association's race meeting in accordance with the provisions of B&P Code Section 19555. Thereafter, the distributing agent shall distribute not less than 90% of the aggregate proceeds from such charity racing days within 12 calendar months after the last day of the meeting during which the charity racing days were conducted and shall distribute the remaining funds as soon thereafter as is practicable. At least 20% of the distribution shall be made to charities associated with the horse racing industry in accordance with the provisions of B&P Code Section 19556(b).

11. RACING OFFICIALS, OFFICIALS, AND OFFICIATING EQUIPMENT

- A. Racing officials nominated:
- | | |
|---------------------------------|----------------------------|
| Association Veterinarian(s) | Jill Bailey, D.V.M. |
| Clerk of Scales/Film Specialist | Ruben Hernandez |
| Clerk of the Course | Lisa Jones |
| Horse Identifier | Jennifer Paige |
| Horseshoe Inspector | TBD |
| Paddock Judge/Patrol Judge | Ken Goldberg |
| Patrol Judge | Heather Correa |
| Placing Judges | Zachary Soto |
| | Kevin Colosi |
| Starter | Gary Brinson |
| Timer | Russell Hudak |
- B. Management officials in the racing department:
- | | |
|--------------------------------|--|
| Director of Racing | N/A |
| Racing Secretary | Martin Panza |
| Assistant Racing Secretary | Richard Wheeler and Daniel Eidson |
| Paymaster of Purses | Susan Winters |
| Others (Asst. Clerk of Scales) | Charles McCaul |
- C. Name, address and telephone number of the reporter employed to record and prepare transcripts of hearings conducted by the stewards: **Weinstein Court Reporters, 9582 Hamilton Avenue, Suite 265 Huntington Beach, California 92646 (714) 964-7102**
- D. Photographic device to be used for photographing the finish of all races, name of the person supplying the service, and expiration date of the service contract: **Plusmic, USA 12/31/08**
- E. Photo patrol video equipment to be used to record all races, name of the person supplying the service, and expiration date of the service contract. Specify the number and location of cameras for dirt and turf tracks. **Association provides its own service and equipment. Equipment utilized is described in Attachment "C"**
- F. Type of electronic timing device to be used for the timing of all races, name of the person supplying the service, and expiration date of the service contract: **American Teletimer, 12/31/07**

12. SECURITY CONTROLS

- A. Name and title of the person responsible for security controls on the premises. Include an organizational chart of the security department and a list of the names of security personnel and contact telephone numbers. **Don Barney, Director of Security 310/419-1395 – organizational chart attached.**

Attachment C - Section 11EVIDEO EQUIPMENTCAMERAS

Eight DXC-35 Sony Cameras
Six DXC-637 Sony Cameras
One BRC-H700 Sony remote control camera
Pan (Wide) w/44X1 Fuji Lens
Pan (Close up) w/55X1 Fuji Lens
7/8 Dirt Tower w/45X1 Canon Lens
7/8 Turf Tower w/22X1 Fuji Lens
1/4 Tower w/26X1 Angenieux Lens
3/16 Sony robo cam 16x1 Lens
3/8 Dirt Tower w/45X1 Canon Lens
3/8 Turf Tower w/33X1 Canon Lens
One Autodome PTZ Day/Night Color Camera 23X 1 lens for Turf Chute Backside
Winner's Circle w/18X1 Canon Lens
Paddock view Camera w/18X1
Ground Level Finish w/18X1 Canon Lens
Gate Start Camera w/15X1 Fuji Lens
Horse Tunnel Camera w/15X1 Canon Lens
Studio Camera w/15X1 Canon Lens
Paddock view Camera w/15X1

VIDEO TAPE RECORDING EQUIPMENT

12 - Channels Leitch 300 Video Servers
2 - BVW - 75 Beta SP (slo-mo)
4 - PVW - 2800 Beta Sp
1- DPS Velocity video edit system

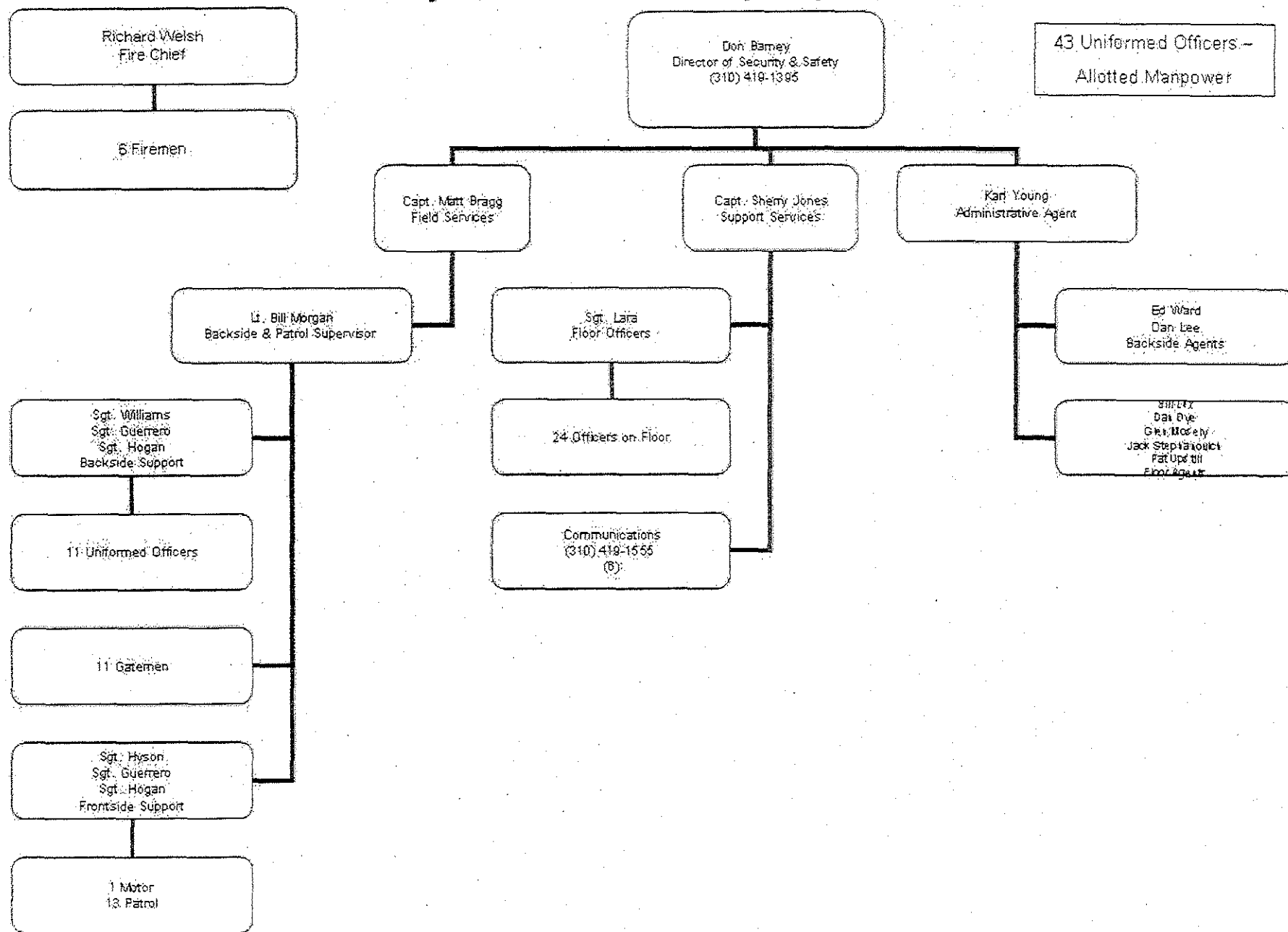
DISTRIBUTION/SWITCHING EQUIPMENT

Utah 132X132 A/V Router
Ross Synergy 3 Production Switcher
Ross "Squeeze & Tease" four Channel Digital Video Effects Unit

OTHER

Four "Autotote" VGS Units - Betting Screens
Data links wagering system
2 - Chyron Graphics Systems - Max and Maxine
Charlson O'Hare Computer Graphics System
Clear-com "Matrix" Intercom System
Approximately 1,100 Color Televisions

Hollywood Park Security Department



- B. Estimated number of security guards, gatemen, patrolmen or others to be engaged in security tasks on a regular full-time basis:

43 Uniformed Officers
8 Agents
5 Firemen
11 Gatemen
5 Communication Operators

1. Attach a written plan for enhanced security for graded/stakes races, and races of \$100,000 or more, to include the number of security guards in the restricted areas during a 24-hour period and a plan for detention barns. **Six hours prior to post time, officers or Backstretch Events Personnel will be assigned to each horse scheduled to run in all stakes races with a purse value of \$100,000 or more. The officers and Backstretch Event Personnel will all be equipped with a video surveillance camera and a security radio. In addition, there will be an Agent to monitor the security enforcement and 5 additional uniformed officers throughout the backside during racing. During non-racing, nighttime hours there will be 4 officers per shift patrolling the backside. In the event that horse is assigned to the detention barn, uniformed officers will be assigned to that area for twenty-four hour surveillance. The horses will also be under video surveillance.**

2. Detention Barns:

- A. Attach a plan for use of graded stakes or overnight races.
Detention barn is used as required by the CHRB.
- B. Number of security guards in the detention barn area during a 24-hour period.
As needed per horse, also one additional officer to cover relief/breaks.
- C. Describe number and location of surveillance cameras in detention barn area.
There are currently 10 cameras over the stalls and 2 covering the shedrow. We have additional cameras on site ready for installation.

3. TCO2 Testing:

- A. Number of races to be tested, and number of horses entered in each race to be tested.
Will follow CHRB staff directives to insure compliance with CHRB Rule 1843.6..
- B. Plan for enhanced surveillance for trainers with high-test results **Will follow CHRB staff directives to insure compliance with CHRB Rule 1843.6..**
- C. Plan for detention barns for repeat offenders. **Will follow CHRB staff directives to insure compliance with CHRB Rule 1843.6..**
- D. Number of security personnel assigned to the TCO2 program.
As needed per the advice of CHRB staff.

C. Describe the electronic security system:

1. Location and number of video surveillance cameras for the detention barn and stable gate.
Camera at each of our two stable gates, also see 2C above

- D. For night racing associations: Describe emergency lighting system: **The track lighting system, which is used primarily for Friday night racing is on a preferred electrical current provided by Southern California Edison. Additionally we have an emergency lighting system powered by two karolite 125 k.w. 277/480 volt generators which are activated and placed on line during the running of every race run after dark.**

13. EMERGENCY SERVICES

- A. Name, address and emergency telephone number of the ambulance service to be used during workouts and the running of the races: **Huntington Ambulance Service, Box 145 Sunset Beach, California 562/904-1550**
- B. Name, address and emergency telephone number of the ambulance service to be used during workouts at auxiliary sites: **Santa Anita- Huntington Ambulance Service, Box 145 Sunset Beach, California 562/904-1550; Pomona-Cole Schafer Ambulance Service, 324 N. Town Ave., Pomona California 909/966-4727-800/966-4727; San Luis Rey Downs- North County Fire Protection District, Fallbrook, California-760/723-2006**
- C. Describe the on-track first aid facility, including equipment and medical staffing: **Our first aid facility is located on the ground level in the hallway between the paymaster of purses and the track photographer offices. The rear entrance to the first aid facility opens to tunnel 1A and is approximately 12ft from the Jocks' room entrance. During training hours two certified EMTs are stationed in an ambulance located on the backstretch just off the main track. They have access to the first aid facility should the need arise. During racing hours two certified EMTs staff and maintain the first aid facility with an addition team of two EMTs stationed in an ambulance on the race track. Also during racing hours there is a medical doctor on duty who provided through Kerlan-Jobe clinic.**
The facility is equipped with the following: beds, stethoscope, otoscope, flash light, forceps, clamps, scissors, scalpel, tourniquet, sterile syringes, blood pressure kit, oxygen, eye flushes, splints, bandages, trauma dressing, hydrogen peroxide etc., nasal packing, topical anesthetic, thermometer, Silver nitrate sticks (AgNO3), ice packs, backboards for spinal precautions, cervical collars, immobilization straps hare traction splints for closed femur fractures, KED splints, bag valve mask for CPR, Automated external defibrillator., oxygen masks, cannula tubing and a variety of addition supplies and over the counter drugs (aspirin etc.)
- D. Name and emergency telephone number of the licensed physician on duty during the race meeting: **Dr. John Goff 310/419 1562 There will be other doctors who will be pre scheduled to relieve Dr. Goff from time to time during the race meeting . That schedule will be provided to the CHRB when it becomes available.**
- E. Name, address and emergency telephone number of the hospital to be used for admittance and treatment of emergency injuries in the event of an on-track injury to a jockey: **Centinela Hospital, 555 East Hardy Street, Inglewood, Ca- Dr Max Lebow- Chief of staff 310/419 8636**
- F. Attach, in English and Spanish, the emergency medical plan procedures that will be posted in each jockey's room to be used in the event of an on-track injury to a jockey: **Refer to Attachment "D"**
- G. Name of health and safety manager and assistant manager responsible for compliance of health and safety provisions pursuant to B& P Code 19481.3(d): **Don Barney Safety Manager- Karl Young Assistant Safety Manager**

Attachment D - Section 13

MEMORANDUM

From: Don Barney, Director of Security & Safety

Subject: Emergency Medical Action Plan for Injured Jockeys

Since May 1, 2003 we at Hollywood Park have had in place an emergency medical action-plan for injured jockeys. There is now a new law requiring such an action plan. Pursuant to the Business and Professions Code section 19481.3 (b) each racing association shall adopt and maintain an emergency medical action plan for injured jockeys and shall be posted in English and Spanish within the jockeys room.

The system we have in effect follows the exact guidelines required by the above statute. The emergency action plan we deploy goes as follows:

“Upon the observed or reported injury of a jockey, medical assistance will be immediate. The responding medical technician, track doctor or security will contact communications (via hand held radio or calling 310 4191555). Security will then activate the emergency contact procedure. This procedure will be the responsibility of the Safety Director or his designee. The Safety Director will contact the Chief of Medical Staff at Centinela Hospital and prepare for the injured jockeys arrival. The phone number of Centinela Hospital is 310- 4198636 and is located at 555 East Hardy Street, Inglewood.

The Chief of Staff will ensure that his personnel are standing by to receive the injured jockey. The Chief of Staff will also contact any specialists who are contracted for the care of an injured jockey. This will lay the foundation for a rapid admittance and treatment of the injured Jockey. A Security Agent will also be dispatched to respond to the emergency room to assist family members of the injured jockey and to also maintain the integrity of the injured jockeys needs. It will also be the responsibility of the Security Agent to keep the Director of Safety informed as to the condition and progress of the injured jockey. It will be the responsibility of the Security Agent to obtain a copy of the accident from the T.V. department. The Security Agent will prepare a report as to the accident and treatment. The agent will also ensure that all workers compensation information pertaining to the jockey is accurate and current.”

From: Don Barney, Director of Security & Safety

Subjecto: Emergencia Medica Accion de plan para el Jinete Lastimado

Desde Mayo 1, 2003 Hollywood Park a tenido un plan de Emergencia Medica para los jinetes lastimados. Hay nueva ley que requiere accion de plan. Siguiendo las leyes del negocio y Profesion Codigo seccion 19481.3(b) cada asociado de carrera tiene que adaptar y mantener el plan de emergencia en el cuarto de los jinetes.

El sistema en efectivo que tenemos sigue exactamente todas las reglas y guias. El plan de emergencia se dirige asi:

“Asistencia medica sera inmediata al observar o reportar un jinete lastimado. El medico tecnico, el doctor de hipodromo o seguridad se comunicara via radio o llamara (310)419-1555. Seguridad activara el proceso de el contacto de emergencia. Este proceso sera la responsabilidad de el Director de Seguridad o su designado. El Director de Seguridad contactara al Jefe Medico de Centinela Hospital localizado en la 555 East Hardy

El Jefe de Estafa se asegurara que su personal se encargue de recibir al jinete herido y contactar a otros especialistas en el contrato y cuidado de el jinete. Este fundamento sera rapido para admitir y tartar al jinete herido. Un agente de seguridad sera despachado al cuarto de Emergencia para asistir a la familia y mantener la integridad y necesidades de el jinete herido. Sera la responsabilidad del agente, reportar e informar al Director de Seguridad de la condicion y el progreso de el jinete. Es la responsabilidad del agente de obtener copia del accidente de el Departamento de Television. El agente se asegurara que toda la informacion de compensacion de trabajo que pertenezca a el jinete sea fija y corriente.”

- H. Attach a fire clearance from the fire authority having jurisdiction over the premises.
Attached
- I. Name of the workers' compensation insurance carrier for the association and the number of the insurance policy (if self-insured, provide details): **American Home Assurance Company #On file**
Certificate expires September 2007 a renewal certificate will be provided when available.
- J. Attach a Certificate of Insurance for workers' compensation coverage. The CHRB is to be named as a certificate holder and given not less than 10 days' notice of any cancellation or termination of insurance that secures the liability of the association for payment of workers' compensation.
Attached

NOTICE TO APPLICANT: Every licensee conducting a horse racing meeting shall pursuant to B&P Code 19481.3 maintain, staff, and supply an on-track first aid facility, that may be either permanent or mobile, and which shall be staffed and equipped as directed by the board. A qualified and licensed physician shall be on duty at all times during live racing, except that this provision shall not apply to any quarter horse racing at the racetrack if there is a hospital situated no more than 1.5 miles from the racetrack and the racetrack has an agreement with the hospital to provide emergency medical services to jockeys and riders. An ambulance licensed to operate on public highways provided by the track shall be available at all times during live racing and shall be staffed by two emergency medical technicians licensed in accordance with Division 2.5 (commencing with Section 1797) of the Health And Safety Code, one of whom may be an Emergency Medical Technician Paramedic, as defined in Section 1797.84 of the Health and Safety Code. (b) Each racing association and racing fair shall adopt and maintain an emergency medical plan detailing the procedures that shall be used in the event of an on-track injury. The plan shall be posted in each jockey room in English and Spanish. (c) Prior to every race meeting, the racing association or racing fair shall contact area hospitals to coordinate procedures for the rapid admittance and treatment of emergency injuries. (d) Each racing association or racing fair shall designate a health and safety manager and assistant manager, who shall be responsible for compliance with the provisions of this section and one of whom shall be on duty at all times when live racing is conducted. The health and safety manager may, at the discretion of the racing association, be the person designated to perform risk management duties on behalf of the association.

14. CONCESSIONAIRES AND SERVICE CONTRACTORS

Names and addresses of all persons to whom a concession or service contract has been given, **other than those already identified**, and the goods and/or services to be provided by each: **See Attachment "E"**

15. ON-TRACK ATTENDANCE/FAN DEVELOPMENT

A. Describe any promotional plans:

For the Fall Meet of 2007, Hollywood Park Racing Association ("HPRA") intends to make every effort possible to continue the momentum from the Spring Summer Meet. During the Spring Summer Meet, average daily on-track attendance increased nearly 5% and average daily on-track handle increased nearly 2%. It is hoped that following the Fall Meet, similar claims can be made.

For the Fall, HPRA intends to duplicate the successful aspects from the Spring Summer that are applicable. For example, an advertising plan very similar to the one implemented in the Spring Summer Meet will be followed. And, each of the two Friday nights upon which there is racing will be promoted in exactly the same manner as all of the Friday nights from the past Meet.

The following is the proposed Promotional Schedule for the Meet:

Week #1

- Wednesday, November 7 – Day 1 – Opening Day – For Opening Day, coupons for free General Admission for two will be sent to members of the Hollywood Park Mailing list in the first Direct Mail piece. Also, an additional coupon for a free box seat will be offered to members of the Hollywood Park Gold Club.

Attachment E - Section 14Concessionaires and Service Contractors

Levy Premium FoodService Limited Partnership Food, Beverage, Liquor
980 North Michigan Avenue, Suite 400
Chicago, IL 60611

Robert J. Baedeker Tip Sheet
Baedeker's Guide
130 West El Portal
San Clemente, California 92672

Harry Aqurarelli Tip Sheet
Duke Racing Selections
6632 West 87th Street
Los Angeles, California 90045

Winners Tip Sheet
Toby Turrell
14112 Enfield Circle
Westminster, California 92683

Bob's Card, Inc. Tip Sheet
Tiffany Boland
6288 Highland Meadows
Medina, Ohio 44256

Today's Racing Digest
P. O. Box 85007
San Diego, California 92138

Thorograph
541 Hudson Street
New York City, New York 10014

New World Service, Inc. Janitorial
1050 South Prairie
Inglewood, California 90301

Miscellaneous

Ann Roper Silks
c/o Ann Roper
P. O. Box 3547
Lennox, CA 90304

Western Saddlery
c/o A. Liederman
206 E. Hillsdale Blvd.
San Mateo, CA 94403



**County of Los Angeles
Fire Department**

Date: 9-12-07

To: Glen Bounds, Property Mgr.
Hollywood Park Land Co, LLC
1050 S. Prairie Ave.
Inglewood, Ca 90301

From: Los Angeles County Fire Department

Subject: Fire Safety Inspection

On Aug. 27, 2007 a fire safety inspection of the racetrack facilities was conducted. The overall condition of the facility was found to be good, and appears to conform with applicable fire and safety standards at this time.

We therefore approve the use of the facility for the Fall 2007 Thoroughbred Meeting and until our next fire safety inspection in the spring of 2008. Thank your staff for their cooperation and if I may be of further assistance, please feel free to contact me at the phone number below.

Sincerely,

Inspector William Boyd
Central Region Hawthorne Prevention Bureau
310-263-2732

ACORD - CERTIFICATE OF LIABILITY INSURANCE		Page 1 of 2	DATE 10/04/2006
PRODUCER Willis North America, Inc. 26 Century Blvd. P. O. Box 305191 Nashville, TN 372305191		THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.	
INSURED Stockbridge Real Estate Fund, LP et al Stockbridge Real Estate Fund II 1200 Park Place, Ste #200 San Mateo, CA 94403		INSURERS AFFORDING COVERAGE INSURER A: American Home Assurance Company INSURER B: INSURER C: INSURER D: INSURER E:	NAIC# 19380-100

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR	ADD'L LTR	INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
		GENERAL LIABILITY <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOG				EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Per occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COM/OP AGG \$
		AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS				COMBINED SINGLE LIMIT (Per accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
		GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN EA ACC \$ AUTO ONLY AGG \$
		EXCESS LIABILITY <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> DEDUCTIBLE RETENTION \$				EACH OCCURRENCE \$ AGGREGATE \$ \$ \$ \$
A		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (If yes, describe under SPECIAL PROVISIONS below) OTHER		9/23/2006	9/23/2007	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/EXCLUSIONS ADDED BY ENDORSEMENT/SPECIAL PROVISIONS

Named Insured includes the following:
 Stockbridge Real Estate Fund LP et al
 Stockbridge Real Estate Fund II (collectively as described in policy)
 Stockbridge Hollywood Park Co-Investment LP
 Hollywood Park Racing Association, LLC
 Hollywood Park Fall Racing Association, LLC
 Hollywood Park Land Company, LLC

CERTIFICATE HOLDER

California Horse Racing Board
 ATTN: John Reagan
 1010 Hurley Way, Suite #300
 Sacramento, CA 95825

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

[Signature]

Every Wednesday is also Senior Day, where all Seniors, aged 62 and over, receive a \$3.00 discount on the regular admission price, resulting in a final price of \$4.00, including parking and a program.

The fact that live racing has returned to Hollywood Park will be advertised on Television.

- Thursday, November 8 – Day 2 – Every Thursday, members of the Hollywood Park Gold Club receive free general admission, including parking and a program. Additionally, Senior Citizens receive a \$3.00 discount on the regular admission price, resulting in a final admission fee of \$4.00, including parking and a program.
- Friday, November 9 – Day 3 – Friday Night Fever – In the Fall Meet, night racing will be conducted only on the first two Fridays. Each of these events will be highlighted by live music following the races in the Ascot Terrace. Throughout the evening, there will be \$1 Beers, sodas, and Hot Dogs. The band tentatively scheduled for the first Friday night is The English Beat. Television Advertising will be utilized to promote this event.

Friday, November 9 – Sunday, November 11 – Round 1 Fall Handicapping Championship

- Saturday, November 10 – Day 4 – On four weekends during the Meet, there will be giveaway promotions. The promotional item for the first Saturday will be a canvas Messenger Bag. Past experience has shown that items like tote bags, briefcases and duffel bags are very popular with customers at Hollywood Park.

Television advertising will be utilized to promote this giveaway.

- Sunday, November 11 – Day 5 – In the Spring Summer Meet, a database matching program, featuring a very tempting offer to new fans, was implemented and proved to be very successful. A list of names was purchased based on matching the demographic characteristics of the people whose names were on the Hollywood Park mailing list. A mailing which offered a turf club package for four people was sent to each of these names. The program was very successful – the Turf Club was sold out on consecutive Sundays during the Meet – and will be duplicated identically every Sunday of the Fall Meet (except the Sunday of Thanksgiving Weekend, which is the Turf Festival).

Week #2

- Wednesday, November 14 – Day 6 – Senior Day
- Thursday, November 15 – Day 7 – Free Admission for Gold Club members and Senior Day.
- Friday, November 16 – Day 8 – Friday Night Fever – The band tentatively scheduled for the second Friday night is Super Diamond. Television Advertising will be utilized to promote this event.
- Saturday, November 17 – Day 9 – Free Day On Us! – One of the most popular promotions with regular customers is the Free Day on us. On these days, a select number of fans will receive an offer which includes free parking, free Clubhouse admission, a free program and a free Daily Racing Form. The Free Day on us will take place twice during the Fall Meet.
- Sunday, November 18 – Day 10 – Sunday Database Matching Offer #2

Week #3

- Wednesday, November 21 – Day 11 – Senior Day
- Thursday, November 22 – Day 12 – Thanksgiving Day, featuring a brunch in the Turf Club and a special early post time.

Free Admission for Gold Club members and Senior Day.

Television Advertising will be utilized to promote the Turf Festival

- Friday, November 23 – Day 13 – Turf Festival – Grade I Citation Handicap and Grade III Generous Stakes – Giveaway #2 (Proposed to be a Golf Style Umbrella).
- Saturday, November 24 – Day 14 – Turf Festival – Grade III Miesque Stakes and Grade III Hollywood Turf Express – Bounceback coupon for free general admission from Breeders' Cup will be good for redemption this day.

Round 2 – Fall Handicapping Championship

- Sunday, November 25 – Day 15 – Turf Festival – Grade I Matriarch and Grade I Hollywood Derby - \$1 Million Guaranteed Pick Six – Mystery Mutuel Voucher Promotion – a Mystery Mutuel Voucher will be sent to all members of the Hollywood Park mailing list.

Week #4

- Wednesday, November 28 – Day 16 – Senior Day
- Thursday, November 29 – Day 17 – Free Admission for Gold Club members and Senior Day.
- Friday, November 30 – Day 18
- Saturday, December 1 – Day 19 – Free Day On Us #2.
- Sunday, December 2 – Day 20 – Sunday Database Matching Offer #3

Week #5

- Wednesday, December 5 – Day 21 – Senior Day
- Thursday, December 6 – Day 22 – Free Admission for Gold Club members and Senior Day.
- Friday, December 7 – Day 23
- Saturday, December 8 – Day 24 – Round 3 – Fall Handicapping Championship– Native Diver Handicap Day – Giveaway #3 – Lava Man Commemorative DVD.

Snow Day – Family Day

Television Advertising will be utilized to promote this event.

- Sunday, December 9 – Day 25 – Sunday Database Matching Offer #4

Week #6

- Wednesday, December 12 – Day 26 – Senior Day
- Thursday, December 13 – Day 27 – Free Admission for Gold Club members and Senior Day.
- Friday, December 14 – Day 28
- Saturday, December 15 – Day 29 – Grade I Hollywood Starlet – Mystery Mutuel Voucher #2
- Sunday, December 16 – Day 30 – Sunday Database Matching Offer #5

Week #7

- Friday, December 21 – Day 31
- Saturday, December 22 – Day 32 – Grade I \$750,000 CashCall Futurity – Giveaway #4 (Fleece Sweatshirt). A drawing will be held following each race to give Shopping Sprees to two lucky fans.

Television Advertising will be utilized for this event.

Advertising Plan**Print Advertising:**

- Los Angeles Times: Quarter Page ads will be purchased three times weekly promoting the following events:
 - Opening Week/Messenger Bag Giveaway
 - Turf Festival/Umbrella Giveaway
 - Native Diver Day – Lava Man DVD Giveaway
 - CashCall Futurity – Sweatshirt Giveaway
- Beach Reporter: Full Page, full color ads will be purchased each week of the meet highlighting weekly upcoming events.
- The Argonaut: Full Page, full color ads will be purchased each week of the meet highlighting weekly upcoming events.
- The Palos Verdes News: Full Page, full color ads will be purchased each week of the meet highlighting weekly upcoming events.
- Inglewood Today Weekly: Half Page ads will be purchased each week of the meet highlighting weekly upcoming events.
- Our Weekly: Half Page ads will be purchased each week of the meet highlighting weekly upcoming events.

College Ads: To promote the two Friday night race events, advertising will be placed in the following publications for three weeks (one week leading up to the events and each week they actually take place):

- USC Daily Trojan
- UCLA Daily Bruin
- Los Angeles Daily Loyolan
- SMCC Corsair
- Long Beach Union
- Saturday Night Magazine
- LA Weekly

Radio Advertising:

- JACK-FM: Hollywood Park will partner with JACK-FM again to promote Friday nights. This was the same station used in the Spring Summer Meet.
- Racing Radio – weekly spots will be placed on each of the following racing radio shows:
 - Inside Racing with Jason Levin
 - Thoroughbred Los Angeles with Jay Privman on Saturdays and Mike Willman on Sundays
 - Race & Sports Radio with Felix Taverna
 - The Roger Stein Show

Television Advertising:

- A television advertising campaign very similar to the one conducted in the Spring Summer Meet will be implemented in the Fall. Television media will again be purchased using MediaDex as the buying agency. For Friday night events, the “Stays in Vegas” ad campaign will be utilized. For racing events, in-house creative will be utilized. Individual campaigns will be built for each of the following events:
 - Opening Week – Messenger Bag Giveaway on Saturday, November 10
 - Turf Festival
 - Native Diver Day – Lava Man DVD Giveaway
 - CashCall Futurity/Sweatshirt Giveaway
 - Opening Friday Night featuring the English Beat
 - Second Friday Night featuring Super Diamond

Online Advertising:

- A campaign tied into the KNX radio web-site will be implemented. The major components of this campaign include the following:
 - Daily archived video highlights of racing action
 - Hyperlink to Hollywood Park web-site from daily news section
 - A Custom Contest on the KNX Sports landing page
 - Podcasts featuring general racing information and daily tips
 - Streaming Advertisements
 - Banner and Skyscraper Advertisements
 - E-Mail blasts
 - Radio station tie-in with sports anchor Randy Kerdoon
- B. Number of hosts and hostesses employed for meeting: **During the fall meet, we will employ up to 14 hosts and hostesses to handle group business and between 12 and 15 guest service personnel. We add another 15-20 people on promotional days for giveaways and sign-ups for the Hollywood Park Gold Club.**
- C. Describe facilities set aside for new fans:
- **Jockey Club/Ascot Terrace – On two Friday nights, the Jockey Club Bar area and the Ascot Terrace will be the venue for a post race concert. The areas both overlook the track and during the races will be staffed with customer service representatives to answer racing related questions.**
 - **Saturday Handicapping Seminar with Kurt Hoover**
 - **Sunday Handicapping Seminar with George Ortuzar**
 - **Customer Service Booths – Throughout the facility there are Customer Service booths staffed to assist patrons with any requested information**
 - **Group Events – The track hires handicappers each day there are groups attending the races to educate new fans regarding handicapping.**
- D. Describe any improvements to the physical facility in advance of the meeting that directly benefit:
1. Horsemen
 2. Fans
 3. Facilities in the restricted areas **Improvements to be determined**

16. SCHEDULE OF CHARGES

A. Proposed charges, note any changes from the previous year:

1) General Admission	\$ 7.00
a. 17 yrs. old and under	Free
b. Wed & Thu Senior Citizens	\$ 4.00
(2) Clubhouse Admission	\$ 10.00
(3) Turf Club	\$ 20.00
(4) Reserved seating	\$ 2.00
(5) General Parking	Free
(6) Preferred (Premium) Parking	\$ 3.00
(7) Valet Parking	\$ 8.00
(8) Programs	\$2.25

- B. Describe any "Season Boxes" and "Turf Club Membership" fees:

Box Seats		*Turf Club Membership	
4 seat Box	\$1,600	Single Turf Club	\$ 800
6 seat Box	\$2,000	Double Turf Club	\$ 1,250
8 seat Box	\$2,600	Corporate Membership	\$ 2,400
8 seat SuperBox	\$3,000	Guest	\$ 12

*Includes Spring/Summer, Fall Meets and Simulcast

- C. Describe any "package" plans such as combined parking, admission and program:
Admission includes parking and program.

17. JOCKEYS/DRIVERS' QUARTERS

- A. Check the applicable amenities available in the jockeys/drivers' quarters:

<input checked="" type="checkbox"/> Corners (lockers and cubicles)	How many	<div style="border: 1px solid black; padding: 2px; display: inline-block;">80</div>
<input checked="" type="checkbox"/> Showers	<input checked="" type="checkbox"/> Steam room, sauna or steam cabinets	<input checked="" type="checkbox"/> Lounge area
<input checked="" type="checkbox"/> Masseur	<input checked="" type="checkbox"/> Food/beverage service	<input checked="" type="checkbox"/> Certified platform scale

- B. Describe the quarters to be used for female jockeys/drivers: **Separate quarters including restroom facilities, showers, cubicles, scale, televisions, couch, food services, etc.**

18. BACKSTRETCH EMPLOYEE HOUSING

- A. Inspection of backstretch housing was completed by **Bill Westerman on March 27, 2007.**
- B. Number of rooms used for housing on the backstretch of the racetrack: **Approximately 450**
- C. Number of restrooms available on the backstretch of the racetrack: **77 including: 155 toilets, 81 urinals and 167 sinks.**
- D. Estimated ratio of restroom facilities to the number of backstretch personnel: **Minimum of 1 to 10 including non-resident personnel.**

19. TRACK SAFETY

- A. Total distance of the racecourse - measured from the finish line counterclockwise (3' from the inner railing) back to the finish line: **Main Track - 1 mile & 1/8 - 5,940 feet, Turf Track - 1 mile 165 feet - 5,445 feet**
- B. Describe the type(s) of materials used for the inner and outer railings of the race course, the type of inner railing supports (i.e., metal gooseneck, wood 4" x 4" uprights, offset wood 4" x 4" supports, etc.), the coverings, if any, on the top of the inner railing, and the approximate height of the top of the inner railing from the level of the race course. **Main Track - aluminum gooseneck post, aluminum railing, as well as aluminum safety panels covering the gooseneck post. Turf Course - inner rail - Fontana turf rail 40" in height, outer rail - metal uprights.**
- C. Name of the person responsible for supervision of the maintenance of the racetrack safety standards pursuant to CHRB Rule 1474: **Dennis Moore**

- D. Attach a Track Safety Maintenance Program pursuant to CHRB Rule 1474. See below:
It is anticipated that we will have one break during morning training when the track will be harrowed with the Track Master harrows to a depth of 2 ½ inches. After training the track will again be harrowed to a depth of 2 ½ inches in preparation for racing. The track will be harrowed only when necessary between races. At the conclusion of the racing program the same procedures that are used after training are employed to prepare the track for the following morning. Additionally when necessary the track maybe power harrowed, rolled and/or watered.
- E. If the association is requesting approval to implement alternate methodologies to the provisions of Article 3.5, Track Safety Standards, pursuant to CHRB Rule 1471, attach a Certificate of Insurance for liability insurance which will be in force for the duration of the meeting specified in Section 2. The CHRB is to be named as a certificate holder and given not less than 10 days' notice of any cancellation or termination of liability insurance. Additionally, the CHRB must be listed as additionally insured on the liability policy at a minimum amount of \$3 million per incident. The liability insurance certificate must be on file in the CHRB headquarters office prior to the conduct of any racing. N/A

20. DECLARATIONS

- A. All labor and lease agreements and concession and service contracts necessary to conduct the entire meeting have been finalized except as follows (if no exceptions, so state): **No exceptions**
- B. Attach each horsemen's agreement pursuant to CHRB Rule 2044. **To be submitted under separate cover.**
- C. Attach a lease agreement permitting the association to occupy the racing facility during the entire term of the meeting. (In the absence of either a lease agreement or a horsemen's agreement, a request for an extension pursuant to CHRB Rule 1407 shall be made). **On File.**
- D. All service contractors and concessionaires have valid state, county or city licenses authorizing each to engage in the type of service to be provided and have valid labor agreements, when applicable, which remain in effect for the entire term of the meeting except as follows (if no exceptions, so state): **No exceptions**
- E. Absent natural disasters or causes beyond the control of the association, its service contractors, concessionaires or horsemen participating at the meeting, no reasons are believed to exist that may result in a stoppage to racing at the meeting or the withholding of any vital service to the association except as follows (if no exceptions, so state): **No exceptions**

NOTICE TO APPLICANT: Pursuant to CHRB Rules 1870 and 1871, the CHRB shall be given 15 days' notice in writing of any intention to terminate a horse racing meeting or the engagements or services of any licensee, approved concessionaire, or approved service contractor.

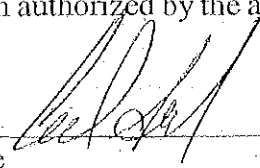
21. CERTIFICATION BY APPLICANT

I hereby certify under penalty of perjury that I have examined this application, that all of the foregoing statements in this application are true and correct, and that I am authorized by the association to attest to this application on its behalf.

Print Name

EWAL WYATT

Signature



Print Title

Gen Mgr

Date

8/7/07

STAFF ANALYSIS
PROPOSED AMENDMENT OF
RULE 1843.2, CLASSIFICATION OF DRUG SUBSTANCES
AND
PROPOSED ADDITION OF
RULE 1843.3, PENALTIES FOR MEDICATION VIOLATIONS

Regular Board Meeting
September 27, 2007

BACKGROUND

Business and Professions Code (B&P Code) Section 19440 specifies that the Board shall have all powers, including but not limited to adopting rules and regulations for the protection of the public and the control of horseracing and pari-mutuel wagering. B&P Code 19580 states that the Board shall adopt regulations to establish policies, guidelines and penalties relating to equine medication to preserve and enhance the integrity of horse racing in this State. Section 19581 of the B&P Code specifies that no substance of any kind shall be administered by any means to a horse after it has been entered to race in a horse race, unless the Board has, by regulation, specifically authorized the use of the substance and the quantity and composition thereof. B&P Code Section 19582 provides that violations of Section 19581, as determined by the Board, are punishable in regulations adopted by the Board, and that the Board may classify violations based upon each class of prohibited drug substances, prior violations within the previous three years and prior violations within the violator's lifetime. The Board may provide for suspensions of not more than 3 years, monetary penalties of not more than \$50,000 dollars, and disqualification from purses, except for a third violation during the lifetime of the licensee, for a drug substance determined to be class 1 or class 2, which shall result in the permanent revocation of the person's license. Effective January 1, 2008, the maximum monthly penalty will increase from \$50,000 to \$100,000 pursuant to AB921, Chapter 55, Statutes of 2007. The punishment for second and subsequent violations of B&P Code Section 19581 shall be greater than for first violations for violations of each class of prohibited drug substance.

At the April 2007 Regular Meeting the Board adopted an amendment to Rule 1843.2, Classification of Drug Substances, and the addition of Rule 1843.3, Penalties for Medication Violations. The rulemaking file was submitted to the Office of Administrative Law (OAL) on May 22, 2007. During the 30-day OAL review several questions were raised regarding the texts. In addition, OAL stated that due to the inclusion of a proposed text submitted by the Thoroughbred Owners of California it was not clear in the transcript which version the Board adopted. Rather than have the file disapproved outright, the file was withdrawn to address the issues raised by OAL. The texts of the regulations were modified in accordance with OAL's concerns and noticed for an additional 15-day public comment period. Per the Administrative Procedures Act the Board must readopt the regulations.

ANALYSIS

The proposed amendment to Rule 1843.2 would require the stewards to consider the classification of a drug substance as referenced in the California Horse Racing Board Penalty Category Listing by Classification when adjudicating a hearing for the finding of such drug substance in a test sample taken from a horse participating in a race. The proposed addition of Rule 1843.3, Penalties for Medication Violations, would establish penalty guidelines the Board, the board of stewards or the hearing officer shall consider in reaching a decision on medication violations.

Subsection 1843.3(a) has been modified to replace the word "including" with the phrase "and any" to clarify that the Board, the board of stewards or hearing officer shall consider any aggravating or mitigating circumstances in addition to the penalties set forth in Subsections 1843.3(e) and (f).

Subsection 1843.3(b)(6)(A) has been added to provide a definition of "unaffiliated trainer." Owners may claim mitigating circumstances if they remove their horses from the care of trainers who have a pattern of equine drug violations. The definition of unaffiliated trainer will allow horse owners to clearly understand the degree with which they must separate their stables from trainers who violate the Board's medication regulations.

Subsection 1843.3(c) has been reconfigured to allow for easier understanding. The content and meaning of the paragraph has not been changed.

In Subsection 1843.3(d) a comma has been added after the word "administered" for the purposes of grammar.

Subsection 1843.3(k)(1) has been added to provide a definition of "licensed family members." The definition will provide guidance to trainers who have been suspended because of medication violations, and to the Board and its agents in ensuring such trainers do not benefit financially during the period of their suspension.

Subsection 1843.3(l) has been modified to specify when a suspended trainer must forfeit all stall space (during the period of suspension) and to add the word "signage" to the list of items the suspended trainer must remove from the premises. This makes it clear that the trainer must cease business at the track during his period of suspension.

Board Rule 1843.6, Total Carbon Dioxide Testing, states a TCO₂ level in excess of 37 millimoles per liter of serum or plasma in the official test sample shall be considered a violation. However, the Rule 1843.3 Category "B" penalties for Rule 1843.6 indicated

the licensed trainer and the licensed owner could be penalized for a TCO₂ level equal to 37 millimoles or greater. The penalties have been corrected to indicate the level must be greater than 37 millimoles.

RECOMMENDATION

No comments were received during the 15-day public comment period. Staff recommends the Board adopt the amendment to Rule 1843.2 and the addition of Rule 1843.3 as presented.

CALIFORNIA HORSE RACING BOARD
TITLE 4. CALIFORNIA CODE OF REGULATIONS
ARTICLE 15. VETERINARY PRACTICES
PROPOSED AMENDMENT
OF
RULE 1843.2. CLASSIFICATION OF DRUG SUBSTANCES

Regular Board Meeting
September 27, 2007

1843.2. Classification of Drug Substances.

The stewards, when adjudicating a hearing for the finding of a drug substance(s) in a test sample taken from a horse participating in a race, shall consider the classification level of the substance as established referenced in the California Horse Racing Board (CHRB) Penalty Category Listing By Classification (1/07), hereby incorporated by reference, which is based on the Association of Racing Commissioners International (ARCI) Uniform Classification Guidelines for Foreign Substances (4/05), below:

~~CLASS 1: Drug substances not approved by the Food and Drug Administration (FDA) for use or sale in the United States, and drug substances both medicinal and non-medicinal which have high abuse potential. These drug substances include, but are not limited to, stimulant and depressant drug substances, including opiates, opium derivatives, synthetic opioids, psychoactive drugs, amphetamines, and Drug Enforcement Agency Schedule I and Schedule II drugs, listed in Title 21 Code of Federal Regulations, Section 1308.11 and Section 1308.12, respectively, which is hereby incorporated by reference.~~

~~CLASS 2: Drug substances which are pharmacologically active in altering consciousness or the psychic state, or therapeutic drug substances with potential for abuse. These drug substances include, but are not limited to:~~

~~a. Opiate partial agonists, or agonist-antagonists.~~

- ~~b. Non-opiate psychotropic drugs.~~
- ~~c. Drug substances which have as their major pharmacological effect stimulation of the central nervous system.~~
- ~~d. Drug substances which have as their major pharmacological effect depression of the central nervous system.~~
- ~~e. Antidepressant and antipsychotic drugs.~~
- ~~f. Neuromuscular blocking agents.~~
- ~~g. Parenteral local anesthetics, excluding procaine.~~
- ~~h. Snake venoms and other biologic substances that may be used as nerve blocking agents.~~

~~CLASS 3. Drug substances whose major pharmacological effects are on the cardiovascular, respiratory and/or autonomic nervous systems. These drug substances include but are not limited to:~~

- ~~a. Bronchodilators.~~
- ~~b. Procaine.~~
- ~~c. Antihistamines that exert an excitatory or depressant action on the central nervous system.~~
- ~~d. Primary vasodilators or hypotensive agents.~~
- ~~e. Cardiac glycosides and antiarrhythmics.~~
 - ~~1. Cardiac glycosides.~~
 - ~~2. Antiarrhythmic agents (exclusive of lidocaine, bretylium and propranolol).~~
- ~~f. Topical Anesthetics agents not available in injectable formulations.~~

~~CLASS 4: Drug substances which are approved by the FDA for human use, or used under extra-label guidelines as defined by the FDA. These drug substances include, but are not limited to, human-labeled non-steroidal anti-inflammatory agents, antihistamines, and some analgesics.~~

- ~~a. Non-opiate drug substances which have a mild central analgesic effect.~~
- ~~b. Drug substances pharmacologically active on the autonomic nervous system, not affecting the central nervous system, cardiovascular, or respiratory systems.~~
 - ~~1. Drug substances used solely as topical vasoconstrictors or decongestants.~~
 - ~~2. Drug substances used as gastrointestinal antispasmodics.~~
 - ~~3. High ceiling and loop diuretics other than those authorized by the CHRB and carbonic anhydrase inhibitors.~~
 - ~~4. Drug substances which have a major pharmacological effect on the central nervous system vasculature or smooth muscle of visceral organs.~~
- ~~c. Antihistamines whose pharmacological action is mediated by H1 receptors.~~

~~CLASS 5: Drug substances which have accepted therapeutic use in the horse. These drug substances include, but are not limited to, non-steroidal anti-inflammatory agents approved for equine veterinary use by the FDA, but not authorized by the CHRB.~~

- ~~a. Expectorants with minimal other pharmacologic action.~~
- ~~b. Non-steroidal anti-inflammatory drug substances (NSAIDs) approved for veterinary use in the United States, but not authorized by the CHRB.~~

~~CLASS 6: Drug substances which are therapeutically used in the maintenance of the health care of the horse. These drug substances include, but are not limited to, skeletal muscle~~

~~relaxants, mucolytic agents, glucocorticoids, mineralocorticoids, osmotic and thiazide diuretics, anabolic and androgenic steroids, and specific peripheral vasodilators appearing in official test samples, as well as authorized medication exceeding the CHRB's authorized levels as established in Rule 1844(c)(1-4) of this division.~~

~~CLASS 7: Drug substances which are routinely used therapeutically to maintain the health of the horse. These drug substances include, but are not limited to, anthelmintic agents other than phenothiazine derivatives, oral adsorbent antidiarrheal agents, antihistamines whose pharmacological action is mediated by H2 receptors, antimicrobial such as sulfonamides, tetracyclines, and anti-fungal agents.~~

Authority: Sections 19580, 19581 and 19582,
Business and Professions Code.

Reference: Sections 19580, 19581 and 19582,
Business and Professions Code.

California Horse Racing Board (CHRB)

Penalty Categories Listing By Classification

Class 1: Stimulant and depressant drugs that have the highest potential to affect performance and that have no generally accepted medical use in the racing horse. Many of these agents are Drug Enforcement Agency (DEA) schedule II substances. These include the following drugs and their metabolites: Opiates, opium derivatives, synthetic opioids and psychoactive drugs, amphetamines and amphetamine-like drugs as well as related drugs, including but not limited to apomorphine, nikethamide, mazindol, pemoline, and pentyleneetetrazol.

<u>Drug</u>	<u>Trade Name</u>	<u>RCI Class</u>	<u>Penalty Class</u>	<u>Drug</u>	<u>Trade Name</u>	<u>RCI Class</u>	<u>Penalty Class</u>
Alfentanil	Alfenta	1	A	Metaraminol	Aramine	1	A
Amphetamine		1	A	Methadone	Dolophine	1	A
Anileridine	Leritine	1	A	Methamphetamine	Desoxyn	1	A
Apomorphine		1	A	Methaqualone	Quaalude	1	A
Benzylpiperazine (BZP)		1	A	Methylphenidate	Ritalin	1	A
Carfentanil		1	A	Metopon (methyldihydromorphinone)		1	A
Cocaine		1	B	Morphine		1	B
Dextromoramide	Palfium, Narcolo	1	A	Nikethamide	Coramine	1	A
Diamorphine		1	A	Oxycodone	Percodan	1	A
Endorphins		1	A	Oxymorphone	Numorphan	1	A
Enkephalins		1	A	Pemoline	Cylert	1	A
Ethylmorphine	Dionin	1	A	Pentyleneetetrazol	Metrazol, Nioric	1	A
Etorphine HCl	M99	1	A	Phenazocine	Narphen	1	A
Fentanyl	Sublimaze	1	A	Phencyclidine (PCP)	Sernylan	1	A
Hydromorphone	Dilaudid	1	A	Phendimetrazine	Bontril, etc.	1	A
Hydroxyamphetamine	Paradrine	1	A	Phenmetrazine	Preludin	1	A
Levorphanol	Levo-Dremoran	1	A	Picrotoxin		1	A
Lofentanil		1	A	Piritramide		1	A
Mazindol	Sanorex	1	A	Remifentanil	Ultiva	1	A
Meperidine	Demerol	1	A	Strychnine		1	B
Mephentermine		1	A	Sufentanil	Sufenta	1	A

Listing by Classification

Class 2: Drugs that have a high potential to affect performance, but less of a potential than Class 1. These drugs are 1) not generally accepted as therapeutic agents in racing horses, or 2) they are therapeutic agents that have a high potential for abuse.

<u>Drug</u>	<u>Trade Name</u>	<u>RCI Class</u>	<u>Penalty Class</u>	<u>Drug</u>	<u>Trade Name</u>	<u>RCI Class</u>	<u>Penalty Class</u>
<u>Acecarbromal</u>		2	A	<u>Bentazepam</u>	<u>Tiadipona</u>	2	A
<u>Acetophenazine</u>	<u>Tindal</u>	2	A	<u>Benzactizine</u>	<u>Deprol, Bronchodiletten</u>	2	A
<u>Adinazolam</u>		2	A	<u>Benzoctamine</u>		2	A
<u>Alcuronium</u>	<u>Alloferin</u>	2	A				
<u>Alphaprodine</u>	<u>Nisentil</u>	2	A	<u>Benzphetamine</u>	<u>Didrex</u>	2	A
<u>Alpidem</u>	<u>Anaxyl</u>	2	A	<u>Benztropine</u>	<u>Cogentin</u>	2	A
<u>Alprazolam</u>	<u>Xanax</u>	2	A	<u>Biriperone</u>		2	A
<u>Althesin</u>	<u>Saffan</u>	2	A	<u>Bromazepam</u>	<u>Lexotan, Lectopam</u>	2	A
<u>Amisulpride</u>	<u>Solian</u>	2	A	<u>Bromisovalum</u>	<u>Diffucord, etc.</u>	2	A
<u>Amitriptyline</u>	<u>Elavil, Amitril, Endep</u>	2	A	<u>Bromocriptine</u>	<u>Parlodel</u>	2	A
<u>Amobarbital</u>	<u>Amytal</u>	2	A	<u>Bromperidol</u>	<u>Bromidol</u>	2	A
<u>Amoxapine</u>	<u>Asendin</u>	2	A	<u>Brotizolam</u>	<u>Brotocol</u>	2	A
<u>Amperozide</u>		2	A	<u>Bupivacaine</u>	<u>Marcaine</u>	2	A
<u>Anilopam</u>	<u>Anisine</u>	2	A	<u>Buprenorphine</u>	<u>Temgesic</u>	2	A
<u>Aprobarbital</u>	<u>Alurate</u>	2	A	<u>Buspirone</u>	<u>Buspar</u>	2	A
<u>Azacylonol</u>	<u>Frenque</u>	2	A	<u>Buspropion</u>	<u>Wellbutrin</u>	2	A
<u>Azaperone</u>	<u>Stresnil, Suicalm, Fentaz (with Fentanyl)</u>	2	A	<u>Butabarbital</u> (Secbutobarbitone)	<u>Butacaps, Butasol, etc.</u>	2	A
<u>Barbital</u>	<u>Veronal</u>	2	A	<u>Butalbital (Talbutal)</u>	<u>Fiorinal</u>	2	A
				<u>Butanillicaine</u>	<u>Hostacain</u>	2	A
<u>Bemegride</u>	<u>Megimide, Mikedimide</u>	2	A	<u>Butaperazine</u>	<u>Repoise</u>	2	A
<u>Benperidol</u>		2	A	<u>Butoctamide</u>	<u>Listomin</u>	2	A

Listing by Classification

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Drug	Trade Name	RCI Class	Penalty Class	Drug	Trade Name	RCI Class	Penalty Class
Caffeine		2	B	Clocapramine		2	A
Camazepam	Paxor	2	A	Clomethiazole		2	A
Captodiamine	Covatine	2	A	Clomipramine	Anafranil	2	A
Carbidopa + levodopa	Sinemet	2	A	Clonazepam	Klonopin	2	A
Carbromol	Mifudorm	2	A	Clorazepate	Tranxene	2	A
Carphenazine	Proketazine	2	A	Clothiapine	Entemmin	2	A
Carpipramine	Prazinil	2	A	Clotiazepam	Trecalmo, Rize	2	A
Chloralose (Alpha-Chloralose)		2	A	Clozapine	Enadel, Sepazon, Tolestan	2	A
Chloral betaine	Beta-Chlor	2	A	Clozapine	Clozaril, Leponex	2	A
Chloral hydrate	Nactec, Oridrate, etc.	2	A	Codeine		2	B
Chloraldehyde (chloral)		2	A	Conorphone		2	A
Chlordiazepoxide	Librium	2	A	Corticaine	Ultracain	2	A
Chlormezanone	Trancopal	2	A	Crotetamide		2	A
Chloroform		2	A	Cyamemazine	Tercian	2	A
Chlorhexidol		2	A	Cyclobarbitol	Phanodorm	2	A
Chloroprocaine	Nesacaine	2	A	Decamethonium	Syncurine	2	A
Chlorproethazine	Newipleg	2	A	Demoxepam		2	A
Chlorpromazine	Thorazine, Largactil	2	A	Desipramine	Norpromine, Pertofrane	2	A
Chlorprothixene	Taractan	2	A	Dezocine	Dalgan®	2	A
Citalopram	Celex	2	A	Diazepam	Valium	2	B
Clobazam	Urbanyl	2	A	Dichloralphenazone	Febenol, Isocom	2	A

Listing by Classification

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<u>Drug</u>	<u>Trade Name</u>	<u>RCI Class</u>	<u>Penalty Class</u>	<u>Drug</u>	<u>Trade Name</u>	<u>RCI Class</u>	<u>Penalty Class</u>
Diethylpropion	Tepanil, etc.	2	A	Etidocaine	Duranest	2	A
Diethylthiambutene	Themalon	2	A	Etifoxin	Stresam	2	A
Dihydrocodeine	Parcodin	2	A	Etizolam	Depas, Pasaden	2	A
Dilorazepam	Briantum	2	A	Etodroxizine	Indunox	2	A
Diprenorphine	M50/50	2	A	Etomidate		2	A
Dixyrazine	Esucos	2	A	Fenarbamate	Tymium	2	A
Dopamine	Intropin	2	A	Fenfluramine	Pondimin	2	A
Doxapram	Dopram	2	A	Fluanisone	Sedalande	2	A
Doxefazepam	Doxans	2	A	Fludiazepam	Erispam	2	A
Doxepin	Adapin, Sinequan	2	A	Flunitrazepam	Rohypnol, Narcozep, Darkene, Hypnodorm	2	A
Droperidol	Inapsine, Droleptan, Innovar-Vet (with Fentanyl)	2	A	Fluopromazine	Psyquil, Siquil	2	A
Enciprazine		2	A	Fluoresone	Caducid	2	A
Ephedrine		2	A	Fluoxetine	Prozac	2	A
Epinephrine		2	A	Flupenthixol	Depixol, Fluanxol	2	A
Erythropoietin (EPO)	Epogen, Procrit, etc.	2	A	Fluphenazine	Prolixin, Permitil, Anatenzol	2	B
Estazolam	Domnamid, Eurodin, Nuctalon	2	A	Flurazepam	Dalmane	2	A
Ethamivan		2	A	Fluspirilene	Imap, Redeptin	2	A
Ethchlorvynol	Placidyl	2	A	Flutoprazepam	Restas	2	A
Ethinamate	Valmid	2	A	Fluvoxamine	Dumirox, Faverin, etc.	2	A
Ethopropazine	Parsidol	2	A	Gallamine	Flaxedil	2	A
Ethylisobutrazine	Diquei	2	A	Gepirone		2	A

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Glutethimide	Doriden	2	A	Lithium	Lithizine, Duralith, etc.	2	A
Halazepam	Paxipam	2	A	Lobeline		2	A
Halopendol	Haldol	2	A	Loflazepate, Ethyl	Victan	2	A
Haloxazolam	Somelin	2	A	Loprazolam	Dormonort, Havlane	2	A
Hemoglobin glutamers	Oxyglobin, Hemopure	2	A	Lorazepam	Ativan	2	A
Hexafluorenum	Myalexen	2	A	Lormetazepam	Noctamid	2	A
Hexobarbital	Evipal	2	A	Loxapine	Laxitane	2	A
Homophenazine	Pelvichthol	2	A	Maprotiline	Ludiomil	2	A
Hydrocodone (dihydrocodeinone)	Hycodan	2	A	Mebutamate	Axifen, Dormate, Capla	2	A
Hydroxyzine	Atarax	2	B	Meclofenoxate	Lucidril, etc.	2	A
Ibomal	Noctal	2	A	Medazepam	Nobrium, etc.	2	A
Imipramine	Imavate, Presamine, Tofranil	2	A	Melperone	Eunerpan	2	A
Isapirone		2	A	Meparfynol	Oblivon	2	A
Isocarboxazid	Marplan	2	A	Mepazine	Pacatal	2	A
Isomethadone		2	A	Mephenoxalone	Control, etc.	2	A
Isoproterenol	Isoprel	2	A	Mephénytoin	Mesantoin	2	A
Ketamine	Ketalar, Ketaset, Vetalar	2	B	Mephobarbital (Methylphenobarbital)	Mebaral	2	A
Ketazolam	Anxon, Laftram, Solatran, Loftran	2	A	Mepivacaine	Carbocaine	2	B
Lenperone	Elanone-V	2	A	Meprobamate	Equanil, Miltown	2	B
Levomethorphan		2	A	Mesoridazine	Serentil	2	A
Lidocaine	Xylocaine	2	B	Metaclozepam	Talis	2	A

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Metazocine		2	A	Nortriptyline	Aventyl, Pamelor	2	A
Metharbital	Gemonil	2	A	Olanzapine	Zyprexa	2	A
Methohexital	Brevital	2	A	Oxazepam	Serax	2	A
Methotrimeprazine	Levoprome, Neurocil, etc.	2	A	Oxazolam	Serenal	2	A
Methypylon	Noludar	2	A	Oxyperitine	Forit, Integrin	2	A
Metocurine	Metubine	2	A	Pancuronium	Pavulon	2	A
Metomidate	Hypnodil	2	A	Paraldehyde	Paral	2	A
Mexazolam	Melex	2	A	Paroxetine	Paxil, Seroxat	2	A
Midazolam	Versed	2	A	Penfluridol	Cyperon	2	A
Mirtazepine	Remeron	2	A	Pentobarbital	Nembutal	2	A
Modafinil	Provigil	2	A	Perazine	Taxilan	2	A
Molindone	Moban	2	A	Periciazine	Alodept, etc.	2	A
Moperone	Luvatren	2	A	Pertapine	Hypnodin	2	A
Mosaprimine		2	A	Perphenazine	Trilafon	2	A
Nalbuphine	Nubain	2	A	Phenaglycodol	Acalo, Alcamid, etc.	2	A
Nalorphine	Nalline, Lethidrone	2	A	Phenelzine	Nardelzine, Nardil	2	A
Nefazodone	Serzone	2	A	Phenobarbital	Luminal	2	A
Nimetazepam	Erimin	2	A	Phentermine	Iomamin	2	A
Nitrazepam	Mogadon	2	A	Piminodine	Alvodine, Cimadon	2	A
Nordiazepam	Calmday, Nordaz, etc.	2	A	Pimozide	Orap	2	A
Norepinephrine		2	A	Pinazepam	Domar	2	A

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Pipamperone	Dipiperon	2	A	Quetiapine	Seroquel	2	A
Pipequaline		2	A	Racemethorphan		2	A
Piperacetazine	Psymod, Quide	2	A	Racemorphan		2	A
Piprocaine	Metycaine	2	A	Raclopride		2	A
Pipotiazine	Lonseren, Piportil	2	A	Remoxipride	Roxiam	2	A
Pipradrol	Dataril, Gerondyl, etc.	2	A	Reserpine	Serpasil	2	B
Piquindone		2	A	Rilmazafone		2	A
Prazepam	Verstran, Centrax	2	A	Risperidone		2	A
Prilocaine	Citanest	2	A	Ritanserin		2	A
Prochlorperazine	Darbazine, Compazine	2	A	Rivastigmine	Exelon	2	A
Propanidid		2	A	Romifidine	Sedivet	2	B
Propiomazine	Largon	2	A	Ropivacaine	Naropin	2	A
Propionylpromazine	Tranvet	2	B	Secobarbital (Quinalbarbitone)	Seconal	2	A
Propiram		2	A	Selegiline	Eldepryl, Jumex	2	A
Propofol	Diprivan, Disoprivan	2	A	Sertraline	Lustral, Zoloff	2	A
Propoxycaïne	Ravocaine	2	A	Snake Venoms		2	A
Prothipendyl	Dominal	2	A	Spiclomazine		2	A
Protriptyline	Concordin, Triptil	2	A	Spiperone		2	A
Proxibarbitol	Axeen, Centralgol	2	A	Succinylcholine	Sucostrin, Quelin, etc.	2	A
Pyrrithyldione	Hybersulfan, Sonodor	2	A	Sulfondiethylmethane		2	A
Quazipam	Doral	2	A	Sulfonmethane		2	A

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Drug	Trade Name	RCI Class	Penalty Class	Drug	Trade Name	RCI Class	Penalty Class
Sulfonidazine	Inofal	2	A	Tribromethanol		2	A
Sulpiride	Aiglonyl, Sulpitil	2	A	Tricaine methanesulfonate	Finquel	2	A
Sultopride	Barnetil	2	A	Trichloroethanol		2	A
Talbutal	Lotusate	2	A	Trichloroethylene	Trilene, Trimar	2	A
Tandospirone		2	A	Triclofos	Triclos	2	A
Temazepam	Restoril	2	A	Trifluomeprazine	Nortran	2	A
Tetrabenazine	Nitoman	2	A	Trifluoperazine	Stelazine	2	A
Tetracaine	Pontocaine	2	B	Trifluoperidol	Triperidol	2	A
Tetrazepam	Musaril, Myolastin	2	A	Triflupromazine	Vetame, Vesprin	2	A
Thebaine		2	A	Trimipramine	Surmontil	2	A
Thialbarbital	Kernithal	2	A	Tubocurarine (Curare)	Metubin	2	A
Thiamylal	Surital	2	A	Tybamate	Benvil, Nospan, etc.	2	A
Thiethylperazine	Torecan	2	A	Urethane		2	A
Thiopental	Pentothal	2	A	Valnoctamide	Nirvanyl	2	A
Thiopropazate	Dartal	2	A	Venlafaxine	Efflexor	2	A
Thiopropazine	Majeptil	2	A	Veralipride	Accional, Veralipril	2	A
Thiondazine	Mellaril	2	A	Vercuronium	Norcuron	2	A
Thiothixene	Navane	2	A	Viloxazine	Catatrol, Vivalan, etc.	2	A
Tiapride	Italpid, Luxoben, etc.	2	A	Vinbarbital	Delvinol	2	A
Tiletamine	Component of Telazol	2	A	Vinylbital	Optanox, Speda	2	A
Timiperone	Tolopelon	2	A	Yohimbine		2	A
Tofisopam	Grandaxain, Seriel	2	A	Zolazepam		2	A
Topinmate	Topamax	2	A	Zolpidem	Ambien, Stilnox	2	A
Tramadol	Ultram	2	A	Zopiclone	Imovan	2	A
Tranylcypromine	Parnate	2	A	Zotepine	Lodopin	2	A
Trazodone	Desyrel	2	A	Zuclopenthixol	Ciatyl, Cesordinol	2	A
Triazolam	Halcion	2	A				

Listing by Classification

Class 3: Drugs that may or may not have generally accepted medical use in the racing horse, but the pharmacology of which suggests less potential to affect performance than drugs in Class 2.

<u>Drug</u>	<u>Trade Name</u>	<u>RCI Class</u>	<u>Penalty Class</u>	<u>Drug</u>	<u>Trade Name</u>	<u>RCI Class</u>	<u>Penalty Class</u>
Acebutolol	Sectral	3	B	Butorphanol	Stadol, Torbugesic	3	B
Acepromazine	Atrovet, Notensil, PromAce®	3	B	Candesartan	Atacand	3	B
Albuterol (Salbutamol)	Proventil, Ventolin	3	B	Captopril	Capoten	3	B
Alprenolol		3	A	Carazolol	Carbacel, Conductor	3	A
Ambenonium	Mytelase, Myeuran	3	B	Carbachol	Lentin, Doryl	3	B
Aminophylline	Aminophyllin, etc.	3	B	Carbamezapine	Tegretol	3	B
Amlodipine	Norvasc	3	A	Carbinoxamine	Clistin	3	B
Amyl nitrite		3	A	Carteolol	Cartrol	3	B
Arecoline		3	A	Carvedilol	Coreq	3	B
Atenolol	Tenormin	3	B	Cimeterol		3	A
Atropine		3	B	Clenbuterol	Ventipulmin	3	B
Betaxolol	Kerlone	3	B	Clonidine	Catapres	3	B
Bethanidine	Esbatal	3	A	Cyclandelate	Cyclospasmol	3	A
Biperiden	Akineton	3	A	Cycrimine	Paqitane	3	B
Bisoprolol	Zebeta, Bisobloc, etc.	3	B	Detomidine	Dormosedan	3	B
Bitolterol	Effectin	3	B	Dextropropoxyphene	Darvon	3	B
Bretylum	Bretylol	3	B	Diazoxide	Proglycem	3	B
Brimonidine	Alphagan	3	B	Dimeflin		3	A
Bromfenac	Duract	3	A	Diphenhydramine	Benadryl	3	B
Bromodiphenhydramine		3	B	Dipyridamole	Persantine	3	B
Bumetanide	Bumex	3	B	Dobutamine	Dobutrex	3	B

Listing by Classification

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<u>Drug</u>	<u>Trade Name</u>	<u>RCI Class</u>	<u>Penalty Class</u>	<u>Drug</u>	<u>Trade Name</u>	<u>RCI Class</u>	<u>Penalty Class</u>
Doxylamine	Decapryn	3	B	Hydralazine	Apresoline	3	B
Dyphylline		3	B	Ipratropium		3	B
Edrophonium	Tensilon	3	B	Irbesarten	Avapro	3	A
Enalapril (metabolite enalaprilat)	Vasotec	3	B	Isoetharine	Bronkosol	3	B
Erthrityl tetranitrate	Cardilate	3	A	Isosorbide dinitrate	Isordil	3	B
Esmolol	Brevibloc	3	B	Ketorolac	Toradol	3	B
Etamiphylline		3	B	Labetalol	Normodyne	3	B
Ethacrynic acid	Edecrin	3	B	Losartan	Hyzaar	3	B
Ethylnorepinephrine	Bronkephrine	3	A	Mabuterol		3	A
Fenoldopam	Corlopam	3	B	Mecamylamine	Inversine	3	B
Fenoterol	Berotec	3	B	Medetomidine	Domitor	3	B
Fenspiride	Respiride, Respan, etc	3	B	Metaproterenol	Alupent, Metaprel	3	B
Flupirtine	Katadolone	3	A	Methacholine		3	A
Formoterol	Altram	3	B	Methixene	Trest	3	A
Gabapentin	Neurontin	3	B	Methoxamine	Vasoxyl	3	A
Glycopyrrolate	Robinul	3	B	Methoxyphenamine	Orthoxide	3	A
Guanadrel	Hylorel	3	A	Methylatropine		3	B
Guanethidine	Ismelin	3	A	Methyldopa	Aldomet	3	A
Guanabenz	Wyntensin	3	B	Metolazone		3	B
Heptaminol	Corofundol	3	B	Metoprolol	Lopressor	3	B
Homatropine	Homapin	3	B	Mibefradil	Posicor	3	B

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Midodrine	Pro-Amiline	3	B	Pindolol	Viskin	3	B
Minoxidil	Loniten	3	B	Pirbuterol	Maxair	3	B
Moexipril (metabolite moexiprilat)	Uniretic	3	B	Piretanide	Arelix, Tauliz	3	B
Muscarine		3	A	Prazosin	Minipress	3	B
Nadolol	Corgard	3	B	Primidone	Mysoline	3	B
Naratriptan	Amerge	3	B	Procaine		3	B
Nefopam		3	A	Procaterol	Pro Air	3	A
Neostigmine	Prostigmine	3	B	Procyclidine	Kemadrin	3	B
Nitroglycerin		3	B	Promazine	Sparine	3	B
Oxprenolol	Trasicor	3	B	Promethazine	Phenergan	3	B
Papaverine	Pavagen, etc.	3	A	Propentophylline	Karsivan	3	B
Paramethadione	Paradione	3	A	Propranolol	Inderal	3	B
Pargyline	Eutonyl	3	A	Protokylol	Ventaire	3	A
Penbutolol	Levato	3	B	Pseudoephedrine	Cenafed, Novafed	3	B
Pentaerythritol tetranitrate	Duotrate	3	A	Pyridostigmine	Mestinon, Regonol	3	B
Pentazocine	Talwin	3	B	Pyrilamine	Neoantergan, Equihist	3	B
Phenoxybenzamine	Dibenzyline	3	B	Ractopamine	Raylean	3	B
Phentolamine	Regitine	3	B	Ritodrine	Yutopar	3	B
Phenylephrine	Isophrin, Neo-Synephrine	3	B	Rizatriptan	Maxalt	3	B
Phenylpropanolamine	Propadrine	3	B	Salmeterol		3	B
Physostigmine	Eserine	3	A	Scopolamine (Hyoscine)	Triptone	3	B

Listing by Classification

Class 3: Drugs that may or may not have generally accepted medical use in the racing horse, but the pharmacology of which suggests less potential to affect performance than drugs in Class 2.

<u>Drug</u>	<u>Trade Name</u>	<u>RCI Class</u>	<u>Penalty Class</u>
Sibutramine	Meridia	3	B
Sotalol	Betapace, Sotacor	3	B
Sumatriptan	Imitrex	3	B
Telmisartan	Micardis	3	B
Terbutaline	Brethine, Bricanyl	3	B
Testolactone	Teslac	3	B
Theophylline	Aqualphyllin, etc.	3	B
Timolol	Blocadrin	3	B
Tolazoline	Priscoline	3	B
Torsemide (Torasemide)	Demadex	3	B
Trandolapril (and metabolite, Trandolaprilat)	Tarka	3	B
Trihexylphenidyl	Artane	3	A
Trimethadione	Tridione	3	B
Trimethaphan	Arfonad	3	A
Tripelennamine	PBZ	3	B
Valsartan	Diovan	3	B
Xylazine	Rompun, Bay Va 1470	3	B
Zolmitriptan	Zomig	3	B
Zonisamide	Zonegran	3	B

Listing by Classification

Class 4: This class includes therapeutic medications that would be expected to have less potential to affect performance than those in Class 3.

<u>Drug</u>	<u>Trade Name</u>	<u>RCI Class</u>	<u>Penalty Class</u>	<u>Drug</u>	<u>Trade Name</u>	<u>RCI Class</u>	<u>Penalty Class</u>
Acetaminophen (Paracetamol)	Tylenol, Tempra, etc.	4	C	Baclofen	Lioresal	4	B
Acetanilid		4	B	Beclomethasone	Propaderm	4	C
Acetazolamide	Diamox, Vetamox	4	B	Benazepril	Lotrel	4	B
Acetophenetidin (Phenacetin)		4	B	Bendroflumethiazide	Naturetin	4	B
Acetylsalicylic acid (Aspirin)		4	C	Benoxaprofen		4	B
Alclofenac		4	B	Benoxinate	Dorsacaine	4	C
Aclomethasone	Aclovate	4	C	Benzocaine		4	C
Aldosterone	Aldocortin, Electrocortin	4	B	Benzthiazide		4	B
Ambroxol	Ambrol, etc.	4	B	Bepridil	Bepadin	4	B
Amcinonide	Cyclocort	4	C	Betamethasone	Betasone, etc.	4	C
Aminocaproic acid	Amicar, Caprocid	4	C	Bethanechol	Urecholine, Duvoid	4	C
Aminodarone		4	B	Boldenone	Equipoise	4	D
2-Aminoheptaine	Tuamine	4	B	Bromhexine	Oletor, etc.	4	C
Aminopyrine		4	B	Brompheniramine	Dimetane, Disomer	4	B
Amisometradine	Rolictron	4	B	Budesonide	Pulmacort, Rhinocort	4	C
Amlodipine	Norvasc, Ammivin	4	B	Butacaine	Butyn	4	B
Amrinone		4	B	Butamben (butyl aminobenzoate)	Butesin	4	C
Anisotropine	Valpin	4	B	Butoxycaine	Stadacain	4	B
Antipyrine		4	B	Calusterone	Methosorb	4	C
Apazone (Azapropazone)	Rheumox	4	B	Camphor		4	C
Aprindine		4	B	Carisoprodol	Relo, Soma	2	B

Listing by Classification

Class 4: This class includes therapeutic medications that would be expected to have less potential to affect performance than those in Class 3.

<u>Drug</u>	<u>Trade Name</u>	<u>RCI Class</u>	<u>Penalty Class</u>	<u>Drug</u>	<u>Trade Name</u>	<u>RCI Class</u>	<u>Penalty Class</u>
Celecoxib	Celebrex	4	C	Cyproheptadine	Periactin	4	C
Chlormerodrin	Neohydrin	4	B	Danazol	Danocrine	4	C
Chlorophenesin	Maolate	4	C	Dantrolene	Dantrium	4	C
Chloroquine	Avloclor	4	C	Dembroxol (Dembrexine)	Sputolysin	4	C
Chlorothiazide	Diuril	4	B	Deoxycorticosterone	Percortin, DOCA, Descotone, Dorcostrin	4	C
Chlorpheniramine	Chlortrimeton, etc.	4	B	Desonite	Des Owen	4	C
Chlorthalidone	Hydroton	4	B	Desoximetasone	Topicort	4	C
Chlorzoxazone	Paraflex	4	B	Dexamethasone	Azium, etc.	4	C
Cinchocaine	Nupercaine	4	C	Dextromethorphan		4	C
Clibucaine	Batrax	4	C	Dibucaine	Nupercainal, Cinchocaine	4	C
Clidinium	Quarezan, Clindex, etc.	4	B	Dichlorphenamide	Daramide	4	C
Clobetasol	Temovate	4	C	Diclofenac	Voltaren, Voltarol	4	C
Clocortolone	Cloderm	4	C	Diflorasone	Florone, Maxiflor	4	C
Clofenamide		4	B	Diflucortolone	Flu-Cortinest, etc.	4	C
Clormecaine	Placacid	4	C	Diflunisal		4	B
Colchicine		4	B	Digitoxin	Crystodigin	4	B
Cortisone	Cortone, etc.	4	C	Digoxin	Lanoxin	4	B
Cyclizine	Merazine	4	B	Dihydroergotamine		4	C
Cyclobenzaprine	Flexeril	4	B	Diltiazem	Cardizem	4	B
Cyclomethylcaine	Surfacaine	4	C	Dimethisoquin	Quotane	4	B
Cyclothiazide	Anhydron, Renazide	4	B	Diphenoxylate	Difenoxin, Lomotil	4	B

Listing by Classification

Class 4: This class includes therapeutic medications that would be expected to have less potential to affect performance than those in Class 3.

<u>Drug</u>	<u>Trade Name</u>	<u>RCI Class</u>	<u>Penalty Class</u>	<u>Drug</u>	<u>Trade Name</u>	<u>RCI Class</u>	<u>Penalty Class</u>
Dipyrone	Novin, Methampyrone	4	C	Fluctafenine	Idalon, Idarac	4	B
Disopyramide	Norpace	4	B	Flucinolone	Synalar, etc.	4	C
Dromostanolone	Drolban	4	C	Fludrocortisone	Alforone, etc.	4	C
Dyclonine	Dyclone	4	C	Flufenamic acid		4	C
Eltenac		4	C	Flumethasone	Flucort, etc.	4	C
Ergonovine	Ergotrate	4	C	Flumethiazide	Ademol	4	B
Ergotamine	Gynergen, Cafergot, etc.	4	C	Flunarizine	Sibelium	4	B
Etanercept	Enbrel	4	B	Flunisolide	Bronilide, etc.	4	C
Ethoheptazine	Zactane	4	B	Flunixin	Banamine	4	C
Ethosuximide	Zarontin	4	B	Fluocinolone	Synalar	4	C
Ethotoin	Peganone	4	B	Fluocinonide	Licon, Lidex	4	C
Ethoxzolamide	Cardrase, Ethamide	4	C	Fluoroprednisolone	Predef-2X	4	C
Ethylaminobenzoate (Benzocaine)	Semets, etc.	4	C	Fluoxymesterone	Halotestin	4	C
Ethylestrenol	Maxibolin, Organon	4	C	Fluprednisolone	Alphadrol	4	C
Etodolac	Lodine	4	C	Flurandrenolide	Cordran	4	C
Felodipine	Plendil	4	B	Flurbiprofen	Froben	4	B
Fenbufen	Cincopal	4	B	Fluticasone	Flixonase, Flutide	4	C
Fenclozic acid	Myalex	4	B	Guaifenesin (glycerol guaiacolate)	Gecolate	4	C
Fenoprofen	Nalfon	4	C	Halcinonide	Halog	4	C
Fexofenadine	Allegra	4	C	Halobetasol	Ultravate	4	C
Flecainide	Idalon	4	B	Hexocyclium	Tral	4	B

Listing by Classification

Class 4: This class includes therapeutic medications that would be expected to have less potential to affect performance than those in Class 3.

<u>Drug</u>	<u>Trade Name</u>	<u>RCI Class</u>	<u>Penalty Class</u>	<u>Drug</u>	<u>Trade Name</u>	<u>RCI Class</u>	<u>Penalty Class</u>
Hexylcaine	Cyclaine	4	C	Meloxicam	Mobic	4	C
Hydrochlorothiazide	Hydrodiuril	4	C	Mepenzolate	Cantil	4	B
Hydrocortisone (Cortisol)	Cortef, etc.	4	C	Mephenesin	Tolserol	4	B
Hydroflumethiazide	Saluron	4	B	Meralluride	Mercuhydrin	4	B
Ibuprofen	Motrin, Advil, Nurpin, etc.	4	C	Merbaphen	Novasural	4	B
Indomethacin	Indocin	4	C	Mercaptomerin	Thiomerin	4	B
Infliximab	Remicade	4	B	Mercumalilin	Cumertilin	4	B
Isoflupredone	Predef	4	C	Mersaly	Salyrqan	4	B
Isometheptene	Octin, Octon	4	B	Metaxalone	Skelaxin	4	B
Isopropamide	Darbid	4	B	Methandriol	Probolis	4	C
Isoxicam	Maxicam	4	B	Methandrosthenolone	Dianabol	4	C
Isoxsuprine	Vasodilan	4	C	Methantheline	Banthine	4	B
Isradipine	DynaCirc	4	B	Methapyrilene	Histadyl, etc.	4	B
Ketoprofen	Orudis	4	C	Methazolamide	Naptazane	4	C
Letosteine	Viscotiol, Visiotol	4	C	Methdilazine	Tacaryl	4	B
Loperamide	Imodium	4	B	Methocarbamol	Robaxin	4	C
Loratidine	Claritin	4	B	Methotrexate	Folex, Nexate, etc.	4	B
Meclizine	Antivert, Bonine	4	B	Methscopolamine	Pamine	4	B
Meclofenamic acid	Arquel	4	C	Methsuximide	Celontin	4	B
Medrysone	Medriusar, etc.	4	C	Methylchlorthiazide	Enduron	4	B
Mefenamic acid	Ponstel	4	C	Methandrosthenolone	Dianabol	4	C

Listing by Classification

Class 4: This class includes therapeutic medications that would be expected to have less potential to affect performance than those in Class 3.

<u>Drug</u>	<u>Trade Name</u>	<u>RCI Class</u>	<u>Penalty Class</u>	<u>Drug</u>	<u>Trade Name</u>	<u>RCI Class</u>	<u>Penalty Class</u>
Methylergonovine	Methergine	4	C	Nortestosterone		4	C
Methylprednisolone	Medrol	4	C	Orphenadrine	Norflex	4	B
Methyltestosterone	Metandren	4	C	Oxandrolone	Anavar	4	C
Methysergide	Sansert	4	B	Oxaprozin	Daypro, Deflam	4	C
Metiamide		4	B	Oxymetazoline	Afrin	4	B
Metoclopramide	Reglan	4	C	Oxymetholone	Adroyd, Anadrol	4	C
Mexilitine	Mexilil	4	B	Oxyphenbutazone	Tandearil	4	C
Milrinone		4	B	Oxyphencyclimine	Daricon	4	B
Mometasone	Elocon	4	C	Oxyphenonium	Antrenyl	4	B
Montelukast	Singulair	4	C	Paramethasone	Haldrone	4	C
Nabumetone	Anthraxan, Relafen, Reliflex	4	B	Pentoxifylline	Trental, Vazofirin	4	C
Naepaine	Amylsine	4	C	Phenacemide	Phenurone	4	B
Nandrolone	Nandrolin, Laurabolin, Durabolin	4	D	Phensuximide	Milontin	4	B
Naphazoline	Privine	4	B	Phenytoin	Dilantin	4	B
Naproxen	Equiproxen, Naprosyn	4	C	Piroxicam	Feldene	4	C
Nicardipine	Cardine	4	B	Polythiazide	Renese	4	B
Nifedipine	Procardia	4	B	Pramoxine	Tronothaine	4	C
Niflumic acid	Nifluril	4	B	Prednisolone	Delta-Cortef, etc.	4	C
Nimesulide		4	B	Prednisone	Meticorten, etc.	4	C
Nimodipine	Nemotop	4	B	Probenecid		4	C
Norethandrone		4	C	Procainamide	Pronestyl	4	B

Listing by Classification

Class 4: This class includes therapeutic medications that would be expected to have less potential to affect performance than those in Class 3.

<u>Drug</u>	<u>Trade Name</u>	<u>RCI Class</u>	<u>Penalty Class</u>	<u>Drug</u>	<u>Trade Name</u>	<u>RCI Class</u>	<u>Penalty Class</u>
Propafenone	Rythmol	4	B	Tocainide	Tonocard	4	B
Propantheline	Pro-Banthine	4	B	Tolmetin	Tolectin	4	B
Proparacaine	Ophthaine	4	C	Tranexamic acid		4	C
Propylhexedrine	Benzedrex	4	B	Trenbolone	Finoplix	4	C
Quinidine	Quinidex, Quinocardine	4	B	Triamcinolone	Vetalog, etc.	4	C
Rofecoxib	Vioxx	4	C	Triamterene	Dyrenium	4	B
Salicylamide		4	C	Trichlormethiazide	Naqua, Naquasone	4	C
Salicylate		4	C	Tolmetin	Tolectin	4	B
Spironolactone	Aldactone	4	B				
Stanozolol	Winstrol-V	4	D	Tridihexethyl	Pathilon	4	B
Sulfasalazine	Azulfidine, Azaline	4	C	Trimetoprim	Temaril	4	B
Sulindac	Clinoril	4	B	Triprolidine	Actidil	4	B
Tenoxicam	Alganex, etc.	4	B	Tuaminoheptane	Tuamine	4	C
Terfenadine	Seldane, Triludan	4	B	Vedaprofen		4	C
Testosterone		4	D	Verapamil	Calan, Isoptin	4	B
Tetrahydrozoline	Tyzine	4	B	Xylometazoline	Otrivin	4	B
Theobromine		4	C	Zafirlukast	Accolate	4	C
Thiosalicylate		4	C	Zeranol	Ralgro	4	C
Thiphenamil	Trocinate	4	B	Zileuton	Zyflo	4	C
Tiaprofenic acid	Surgam	4	B	Zomepirac	Zomax	4	B

Listing by Classification

Class 5: This class includes those therapeutic medications for which concentration limits have been established by the racing jurisdictions as well as certain miscellaneous agents such as DMSO and other medications as determined by the regulatory bodies.

<u>Drug</u>	<u>Trade Name</u>	<u>RCI Class</u>	<u>Penalty Class</u>
Anisindione		5	D
Cilostazol	Pletal	5	D
Cimetidine	Tagamet	5	D
Cromolyn	Intel	5	D
Dicumarol	Dicumarol	5	D
Dimethylsulfoxide (DMSO)	Domoso	5	D
Dimethylsulphone (MSM)		5	D
Diphenadione		5	D
Famotidine	Gaster, etc.	5	D
Lansoprazole		5	D
Misoprostel	Cytotec	5	D
Nedocromil	Tilade	5	D
Nizatidine	Axid	5	D
Omeprazole	Prilosec, Losec	5	D
Phenindione	Hedulin	5	D
Phenprocoumon	Liquamar	5	D
Pirenzapine	Gastrozepin	5	D
Ranitidine	Zantac	5	D
Warfarin	Coumadin, Coufarin	5	D

CALIFORNIA HORSE RACING BOARD
TITLE 4, CALIFORNIA CODE OF REGULATIONS
ARTICLE 15, VETERINARY PRACTICES
PROPOSED ADDITION OF
RULE 1843.3. PENALTIES FOR MEDICATION VIOLATIONS

Regular Board Meeting
September 27, 2007

Single underlined text represents the original language adopted at the April 2007 Regulatory Hearing
Deletions to the adopted text appear as ~~Double Strikethrough~~
New and revised text appears as *Italicized Double Underlined*

1843.3. Penalties for Medication Violations.

(a) In reaching a decision on a penalty for violation of Business and Profession (B&P) Code Section 19581, the Board, the board of stewards, or the hearing officer shall consider the penalties set forth in Subsections (e) and (f) of this Rule ~~including~~ *and any* aggravating and mitigating circumstances. Deviation from these penalties is appropriate where the facts of the particular case warrant such a deviation, for example: there may be mitigating circumstances for which a lesser or no penalty is appropriate, and aggravating factors, which may increase the penalties beyond the minimum.

(b) Mitigating circumstances and aggravating factors, which must be considered, include but are not limited to:

- (1) The past record of the licensee in drug cases;
- (2) The potential of the drug(s) to influence a horse's racing performance;
- (3) The legal availability of the drug;
- (4) Whether there is reason to believe the responsible party knew of the administration of the drug or intentionally administered the drug;
- (5) The steps taken by the trainer to safeguard the horse;

(6) The steps taken by an owner to safeguard against subsequent violations including, but not limited to, the transfer of the horse(s) to an unaffiliated trainer;

(A) For the purpose of this regulation "unaffiliated trainer" means a trainer or an assistant trainer who is not related by blood, marriage or domestic partnership, or who is not or was never employed by the trainer from whose care such horse(s) were transferred.

(7) The probability of environmental contamination or inadvertent exposure due to human drug use or other factors;

(8) The purse of the race;

(9) Whether the drug found was one for which the horse was receiving treatment as determined by a Confidential Veterinarian Report Form as described in Rule 1842 of this division;

(10) Whether there was any suspicious wagering pattern on the race;

(11) Whether the licensed trainer was acting under the advice of a licensed veterinarian.

~~(c) For purposes of this regulation, the Board shall, upon determination that an official pre or post race test sample from a horse participating in any race contained any drug substance, medication, metabolites or analogues thereof foreign to the horse, whose use is not expressly authorized in this division, or any drug substance, medication or chemical authorized by this article in excess of the authorized level or other restrictions as set forth in this article, consider the classification of the drug substances as referred to in Rule 1843.2 of this division and the California Horse Racing Board's (CHRB) Penalty Categories Listing by Classification, (1/07) hereby incorporated by reference.~~

(c) For the purposes of this regulation, the Board shall consider the classification of a drug substance as referred to in Rule 1843.2 of this division and the California Horse Racing Board (CHRB) Penalty Categories Listing By Classification, (1/07), which is hereby incorporated by reference, if a determination is made that an official pre or post-race test sample from a horse that participated in any race contained:

(1) Any drug substance, medication, metabolites or analogues thereof foreign to the horse, whose use is not expressly authorized in this division, or

(2) Any drug substance, medication or chemical authorized by this article in excess of the authorized level or other restrictions as set forth in the article.

(d) If a penalty is administered, it shall be greater than the last penalty administered to the licensee for a violation concerning the same class of drug substance pursuant to B& P Code Section 19582(a) (4).

(e) Penalties for violation of each classification level are as follows:

CATEGORY "A" PENALTIES

Penalties for violations due to the presence of a drug substance in an official pre- or post-race sample, which CHRB drug classification is categorized as warranting a Category A penalty are as follows:

<u>LICENSED TRAINER:</u>		
<u>1st offense</u> <ul style="list-style-type: none"> ◦ <u>Minimum one - year suspension absent mitigating circumstances. The presence of aggravating factors could be used to impose a maximum of a three-year suspension.</u> <p style="text-align: center;"><u>AND</u></p> <ul style="list-style-type: none"> ◦ <u>Minimum fine of \$10,000 or 10% of gross purse (greater of the two) absent mitigating circumstances. The presence of aggravating factors could be used to impose a maximum fine of \$25,000 or 25% of purse (greater of the two).</u> <p style="text-align: center;"><u>AND</u></p> <ul style="list-style-type: none"> ◦ <u>May be referred to the Board for any further action deemed necessary by the Board.</u> 	<u>2nd LIFETIME offense</u> <ul style="list-style-type: none"> ◦ <u>Minimum three-year suspension absent mitigating circumstances. The presence of aggravating factors could be used to impose a maximum of license revocation with no reapplication for a three-year period.</u> <p style="text-align: center;"><u>AND</u></p> <ul style="list-style-type: none"> ◦ <u>Minimum fine of \$20,000 or 25% of gross purse (greater of the two) absent mitigating circumstances. The presence of aggravating factors could be used to impose a maximum fine of \$50,000 or 50% of purse (greater of the two).</u> <p style="text-align: center;"><u>AND</u></p> <ul style="list-style-type: none"> ◦ <u>May be referred to the Board for any further action deemed necessary by the Board.</u> 	<u>3rd LIFETIME offense</u> <ul style="list-style-type: none"> ◦ <u>Minimum three -year suspension absent mitigating circumstances. The presence of aggravating factors could be used to impose a maximum of permanent license revocation.</u> <p style="text-align: center;"><u>AND</u></p> <ul style="list-style-type: none"> ◦ <u>Minimum fine of \$25,000 or 50% of gross purse (greater of the two) absent mitigating circumstances. The presence of aggravating factors could be used to impose a maximum of \$50,000 or 100% of purse (greater of the two).</u> <p style="text-align: center;"><u>AND</u></p> <ul style="list-style-type: none"> ◦ <u>May be referred to the Board for any further action deemed necessary by the Board.</u>
<u>LICENSED OWNER:</u>		
<u>1st offense</u> <ul style="list-style-type: none"> ◦ <u>Disqualification of horse and loss of purse.</u> <p style="text-align: center;"><u>AND</u></p> <ul style="list-style-type: none"> ◦ <u>Horse may be placed on the veterinarian's list for up to 90 days and must pass a Board - approved examination pursuant to Rule 1846 before becoming eligible to be entered.</u> <p style="text-align: center;"><u>AND</u></p> <ul style="list-style-type: none"> ◦ <u>Be subject to drug testing at the owner's expense and be negative for prohibited drug substances as defined in Rule 1843.1.</u> 	<u>2nd LIFETIME offense in owner's stable</u> <ul style="list-style-type: none"> ◦ <u>Disqualification of horse and loss of purse.</u> <p style="text-align: center;"><u>AND</u></p> <ul style="list-style-type: none"> ◦ <u>Horse shall be placed on the veterinarian's list for up to 120 days and must pass a Board - approved examination pursuant to Rule 1846 before becoming eligible to be entered.</u> <p style="text-align: center;"><u>AND</u></p> <ul style="list-style-type: none"> ◦ <u>Be subject to drug testing at the owner's expense and be negative for prohibited drug substances as defined in Rule 1843.1.</u> 	<u>3rd LIFETIME offense in owner's stable</u> <ul style="list-style-type: none"> ◦ <u>Disqualification of horse, loss of purse and minimum fine of \$10,000 absent mitigating circumstances. The presence of aggravating factors could be used to impose a maximum of \$50,000.</u> <p style="text-align: center;"><u>AND</u></p> <ul style="list-style-type: none"> ◦ <u>Horse shall be placed on the veterinarian's list for up to 180 days and must pass a Board-approved examination pursuant to Rule 1846 before becoming eligible to be entered.</u> <p style="text-align: center;"><u>AND</u></p> <ul style="list-style-type: none"> ◦ <u>Be subject to drug testing at the owner's expense and be negative for prohibited drug substances as defined in Rule 1843.1.</u> <p style="text-align: center;"><u>AND</u></p> <ul style="list-style-type: none"> ◦ <u>Referral to the Board with a recommendation of a suspension of owners license for a minimum of 90 days.</u>

CATEGORY "B" PENALTIES

Penalties for violations due to the presence of a drug substance in an official pre- or post-race sample, which CHRB drug classification is categorized as warranting a Category B penalty are as follows:

<u>LICENSED TRAINER:</u>		
<u>1st offense</u> <ul style="list-style-type: none"> ◦ <u>Minimum 30 -day suspension absent mitigating circumstances. The presence of aggravating factors could be used to impose a maximum of a 60-day suspension.</u> <p style="text-align: center;"><u>AND/OR</u></p> <ul style="list-style-type: none"> ◦ <u>Minimum fine of \$500 absent mitigating circumstances. The presence of aggravating factors could be used to impose a maximum fine of \$10,000.</u> 	<u>2nd offense (365-day period)</u> <ul style="list-style-type: none"> ◦ <u>Minimum 60-day suspension absent mitigating circumstances. The presence of aggravating factors could be used to impose a maximum of a 180-day suspension.</u> <p style="text-align: center;"><u>AND/OR</u></p> <ul style="list-style-type: none"> ◦ <u>Minimum fine of \$1,000 absent mitigating circumstances. The presence of aggravating factors could be used to impose a maximum fine of \$20,000.</u> 	<u>3rd offense (365-day period)</u> <ul style="list-style-type: none"> ◦ <u>Minimum 90-day suspension absent mitigating circumstances. The presence of aggravating factors could be used to impose a maximum of a one-year suspension.</u> <p style="text-align: center;"><u>AND/OR</u></p> <ul style="list-style-type: none"> ◦ <u>Minimum fine of \$2,500 absent mitigating circumstances. The presence of aggravating factors could be used to impose a maximum fine of \$50,000 or 10% of purse (greater of the two).</u> <p style="text-align: center;"><u>AND</u></p> <ul style="list-style-type: none"> ◦ <u>May be referred to the Board for any further action deemed necessary by the Board.</u>
<u>LICENSED OWNER:</u>		
<u>1st offense</u> <ul style="list-style-type: none"> ◦ <u>Disqualification of horse and loss of purse in the absence of mitigating circumstances.</u> <p style="text-align: center;"><u>AND</u></p> <ul style="list-style-type: none"> ◦ <u>Horse must pass a Board-approved examination pursuant to Rule 1846 before becoming eligible to be entered.</u> <p style="text-align: center;"><u>AND</u></p> <ul style="list-style-type: none"> ◦ <u>Be subject to drug testing at the owner's expense and be negative for prohibited drug substances as defined in Rule 1843.1.</u> 	<u>2nd offense in stable (365-day period)</u> <ul style="list-style-type: none"> ◦ <u>Disqualification of horse and loss of purse in the absence of mitigating circumstances.</u> <p style="text-align: center;"><u>AND</u></p> <ul style="list-style-type: none"> ◦ <u>Horse must pass a Board-approved examination pursuant to Rule 1846 before becoming eligible to be entered.</u> <p style="text-align: center;"><u>AND</u></p> <ul style="list-style-type: none"> ◦ <u>Be subject to drug testing at the owner's expense and be negative for prohibited drug substances as defined in Rule 1843.1.</u> 	<u>3rd offense in stable (365-day period)</u> <ul style="list-style-type: none"> ◦ <u>Disqualification of horse, loss of purse and minimum fine of \$5,000 absent mitigating circumstances. The presence of aggravating factors could be used to impose a maximum of \$20,000.</u> <p style="text-align: center;"><u>AND</u></p> <ul style="list-style-type: none"> ◦ <u>Horse shall be placed on the veterinarian's list for up to 45 days and must pass a Board-approved examination pursuant to Rule 1846 before becoming eligible to be entered.</u> <p style="text-align: center;"><u>AND</u></p> <ul style="list-style-type: none"> ◦ <u>Be subject to drug testing at the owner's expense and be negative for prohibited drug substances as defined in Rule 1843.1.</u>

CATEGORY "B" PENALTIES FOR RULE 1843.6 TOTAL CARBON DIOXIDE (TCO₂) TESTING

Penalties for violations due to exceeding permitted levels of TCO₂ as defined in Rule 1843.6 are as set forth below. All concentrations are for measurements in serum or plasma.

<u>LICENSED TRAINER:</u>		
<u>1st offense Total CO₂ (\geq > 37.0mmol/l- <39mmol/l)</u> <ul style="list-style-type: none"> Up to a 30-day suspension absent mitigating circumstances. The presence of aggravating factors could be used to impose a maximum of a 60-day suspension. <p style="text-align: center;"><u>AND/OR</u></p> <ul style="list-style-type: none"> Minimum fine of \$1500 absent mitigating circumstances. The presence of aggravating factors could be used to impose a maximum fine of \$5,000. 	<u>2nd offense Total CO₂ (\geq > 37.0mmol/l- <39mmol/l)</u> <ul style="list-style-type: none"> Minimum 60-day suspension absent mitigating circumstances. The presence of aggravating factors could be used to impose a maximum of a 60-day suspension. <p style="text-align: center;"><u>AND/OR</u></p> <ul style="list-style-type: none"> Minimum fine of \$2,500 absent mitigating circumstances. The presence of aggravating factors could be used to impose a maximum fine of \$10,000. 	<u>3rd offense Total CO₂ (\geq > 37.0mmol/l- <39mmol/l)</u> <ul style="list-style-type: none"> Minimum 90-day suspension absent mitigating circumstances. The presence of aggravating factors could be used to impose a maximum of a 180-day suspension. <p style="text-align: center;"><u>AND/OR</u></p> <ul style="list-style-type: none"> Minimum fine of \$5000 absent mitigating circumstances. The presence of aggravating factors could be used to impose a maximum fine of \$15,000.
<u>LICENSED OWNER:</u>		
<u>1st offense Total CO₂ (\geq > 37.0mmol/l- <39mmol/l)</u> <ul style="list-style-type: none"> Disqualification of horse and loss of purse. 	<u>2nd offense Total CO₂ (\geq > 37.0mmol/l- <39mmol/l)</u> <ul style="list-style-type: none"> Disqualification of horse and loss of purse. 	<u>3rd offense Total CO₂ (\geq > 37.0mmol/l- <39mmol/l)</u> <ul style="list-style-type: none"> Disqualification of horse, loss of purse and \$2,500 fine in the absence of mitigating circumstances.
<u>LICENSED TRAINER:</u>		
<u>1st offense Total CO₂ (\geq 39.0mmol/l)</u> <ul style="list-style-type: none"> Minimum 30-day suspension absent mitigating circumstances. The presence of aggravating factors could be used to impose a maximum of a 60-day suspension. <p style="text-align: center;"><u>AND/OR</u></p> <ul style="list-style-type: none"> Minimum fine of \$2,500 absent mitigating circumstances. The presence of aggravating factors could be used to impose a maximum fine of \$10,000. 	<u>2nd offense Total CO₂ (\geq 39.0mmol/l)</u> <ul style="list-style-type: none"> Minimum 60-day suspension absent mitigating circumstances. The presence of aggravating factors could be used to impose a maximum of a 180-day suspension. <p style="text-align: center;"><u>AND/OR</u></p> <ul style="list-style-type: none"> Minimum fine of \$5,000 absent mitigating circumstances. The presence of aggravating factors could be used to impose a maximum fine of \$15,000. 	<u>3rd offense Total CO₂ (\geq 39.0mmol/l)</u> <ul style="list-style-type: none"> Minimum 90-day suspension absent mitigating circumstances. The presence of aggravating factors could be used to impose a maximum of a 365-day suspension. <p style="text-align: center;"><u>AND/OR</u></p> <ul style="list-style-type: none"> Minimum fine of \$10,000 absent mitigating circumstances. The presence of aggravating factors could be used to impose a maximum fine of \$25,000.
<u>LICENSED OWNER:</u>		
<u>1st offense Total CO₂ (\geq 39.0mmol/l)</u> <ul style="list-style-type: none"> Disqualification of horse and loss of purse. 	<u>2nd offense Total CO₂ (\geq 39.0mmol/l)</u> <ul style="list-style-type: none"> Disqualification of horse and loss of purse. 	<u>3rd offense Total CO₂ (\geq 39.0mmol/l)</u> <ul style="list-style-type: none"> Disqualification of horse, loss of purse and a fine ranging from a minimum of \$5,000, up to a maximum of \$20,000.

CATEGORY "C" PENALTIES

Penalties for violations due to the presence of a drug substance in an official pre-or post race sample, which CHRB drug classification is categorized as warranting a Category C penalty and for the presence of more than one non-steroidal anti-inflammatory (NSAID) in a plasma/serum sample, as defined in Rule 1844, and furosemide as defined in Rule 1845 in an official pre- or post-race samples are as set forth below. All concentrations are for measurements in serum or plasma.

LICENSED TRAINER:

<u>1st offense</u>	<u>2nd offense (365-day period)</u>	<u>3rd offense (365-day period)</u>
<ul style="list-style-type: none"> ◦ <u>Minimum fine of \$500 to a maximum fine of \$1,000 absent mitigating circumstances.</u> 	<ul style="list-style-type: none"> ◦ <u>Minimum fine of \$1,000 to a maximum fine of \$2,500, and up to a 15-day suspension absent mitigating circumstances.</u> 	<ul style="list-style-type: none"> ◦ <u>Minimum fine of \$2,500 and up to a 30-day suspension absent mitigating circumstances</u>

CATEGORY "C" PENALTIES FOR RULE 1844, AUTHORIZED MEDICATION (C) (1), (2), (3)

Penalties for violations due to overages for permitted non-steroidal anti-inflammatory drug substances (NSAIDs) as defined in Rule 1844 (c) (1), (2), (3). All concentrations are for measurements in serum or plasma.

The official veterinarian shall consult with the treating veterinarian in all violations of 1844 (c). After consultation with and permission of the official veterinarian the trainer may elect to pay the minimum fine in lieu of a steward's hearing. If the trainer has not had an 1844 (c) violation within the previous three years, the official veterinarian or the board of stewards may issue a warning in lieu of a fine for violations of 1844 (c) (1), phenylbutazone, provided the reported level is below 7.5mcg/ml.

<u>LICENSED TRAINER:</u>	<u>Phenylbutazone (5.1-<10.0mcg/ml)</u> <u>Flunixin (50-100 ng/ml)</u> <u>Ketoprofen (11-49 ng/ml)</u>	<u>Phenylbutazone (5.1-<10.0mcg/ml)</u> <u>Flunixin (50-100 ng/ml)</u> <u>Ketoprofen (11-49 ng/ml)</u>
<u>1st offense</u> ◦ Minimum fine of \$500 to a maximum fine of \$1,000	<u>2nd offense (365-day period)</u> ◦ Minimum fine of \$1,000 to a maximum fine of \$2,500	<u>3rd offense (365-day period)</u> ◦ Minimum fine of \$2,500 to a maximum fine of \$5,000. The official veterinarian may withdraw permission for the trainer to use any NSAID for a period of up to 30 days.
<u>LICENSED OWNER:</u>	<u>Phenylbutazone (5.1-<10.0mcg/ml)</u> <u>Flunixin (50-100 ng/ml)</u> <u>Ketoprofen (11-49 ng/ml)</u>	<u>Phenylbutazone (5.1-<10.0mcg/ml)</u> <u>Flunixin (50-100 ng/ml)</u> <u>Ketoprofen (11-49 ng/ml)</u>
<u>1st offense</u> No penalty administered.	<u>2nd offense (365-day period)</u> No penalty administered.	<u>3rd offense (365-day period)</u> No penalty administered.
<u>LICENSED TRAINER:</u>	<u>Phenylbutazone (≥ 10.0 mcg/ml)</u> <u>Flunixin (≥ 100 ng/ml)</u> <u>Ketoprofen (≥ 50 ng/ml)</u>	<u>Phenylbutazone (≥ 10.0 mcg/ml)</u> <u>Flunixin (≥ 100 ng/ml)</u> <u>Ketoprofen (≥ 50 ng/ml)</u>
<u>1st offense</u> ◦ Minimum fine of \$1,000 to a maximum fine of \$2,500.	<u>2nd offense (365-day period)</u> ◦ Minimum fine of \$2,500 to a maximum fine of \$5,000. The official veterinarian may withdraw permission for the trainer to use any NSAID for a period of up to 30 days.	<u>3rd offense (365-day period)</u> ◦ Minimum fine of \$5,000 to a maximum fine of \$10,000. The official veterinarian may withdraw permission for the trainer to use any NSAID for a period of up to 60 days.
<u>LICENSED OWNER:</u>	<u>Phenylbutazone (≥ 10.0 mcg/ml)</u> <u>Flunixin (≥ 100 ng/ml)</u> <u>Ketoprofen (≥ 50 ng/ml)</u>	<u>Phenylbutazone (≥ 10.0 mcg/ml)</u> <u>Flunixin (≥ 100 ng/ml)</u> <u>Ketoprofen (≥ 50 ng/ml)</u>
<u>1st offense</u> ◦ Horse must pass Board-approved examination pursuant to Rule 1846 before being eligible to run.	<u>2nd offense (365-day period)</u> ◦ Loss of purse. If same horse, placed on veterinarian's list for up to 45-days, must pass Board-approved examination pursuant to Rule 1846 before being eligible to run. The official veterinarian shall withdraw permission for the trainer to use any NSAID for a period of up to 60 days.	<u>3rd offense (365-day period)</u> ◦ Loss of purse. Minimum \$5,000 fine. If same horse, placed on veterinarian's list for 60 days, must pass Board-approved examination pursuant to Rule 1846 before being eligible to run. The official veterinarian may withdraw permission for the trainer to use any NSAID for a period of up to 120 days.

(f) Penalties for violations due to the presence of a drug substance in an official pre- or post-race sample, which CHRB drug classification is categorized as warranting a Category D penalty, may result in a written warning to the licensed trainer and owner.

(g) Any drug or metabolite thereof found to be present in an official pre- or post-race sample that is not classified in Rule 1843.2 of this division shall be classified as a Class 1 substance and a Category "A" penalty until classified by the Board.

(h) The administration of a drug substance to a race horse must be documented by the treating veterinarian through the filing of a Confidential Veterinarian Report form as described in Rule 1842 of this division.

(i) Any licensed veterinarian, owner or other licensee found to be responsible for the administration of any drug resulting in a positive test may be subject to the same penalties set forth for the licensed trainer and his presence may be required at any and all hearings relative to the case. For purposes of this regulation owner means the individual owner (s) or entity that owns the horse from which the official pre-or post race test sample was taken. Any penalty for a violation will be imposed upon the entity owning the horse.

(1) Any veterinarian found to be involved in the administration of any drug in Penalty Category "A" shall be referred to the California Veterinary Medical Board (CVMB) for consideration of further disciplinary action and not be allowed to practice at any California racetrack, indefinitely.

(2) Any veterinarian found to be involved in the administration of any drug in Penalty Category "B" or "C" may be referred to the CVMB for consideration of further disciplinary action upon the recommendation of the Equine Medical Director or hearing officers.

(j) Any licensee found to be in violation of state criminal statutes may be referred to the appropriate law enforcement agency.

(k) A licensed trainer who is suspended because of a medication violation is not able to benefit financially during the period for which the individual has been suspended. This includes, but is not limited to, ensuring that horses are not transferred to licensed family members.

(l) For the purpose of this regulation "licensed family members" means any person who holds an occupational license issued by the CHRB and who is related to the suspended trainer by blood, or by marriage or domestic partnership, or who is related by blood to the spouse or domestic partner of such trainer.

(l) For the purposes of this section, licensed trainers suspended 60 days or more shall be banned from all inclosures under the jurisdiction of the CHRB. In addition, during the period of suspension, the suspended trainer shall forfeit all assigned stall space assigned them and shall remove from the inclosures all signage, advertisements, training-related equipment, tack, office equipment, and any other property.

Authority: Sections 19461, 19580, 19581 & 19582,
Business and Professions Code.

Reference: Sections 19461, 19580, 19581 & 19582,
Business and Professions Code.

Section 11425.50,
Government Code.

STAFF ANALYSIS
PROPOSED ADDITION OF
ARTICLE 10.5. MULE RACING
AND
RULE 1747. MULE RACING RULES
AND
RULE 1748. SHOEING MULES

Regular Board Meeting
September 27, 2007

BACKGROUND

Business and Professions (B&P) Code Section 19440 provides that the Board shall have all powers necessary and proper for it to carry out the purposes of Chapter 4, B&P Code. Responsibilities of the Board shall include adopting rules and regulations for the protection of the public and the control of horse racing and pari-mutuel wagering. B&P Code Section 19703 states the Board, in cooperation with American Mule Association representatives, shall adopt rules governing, permitting, and regulating mule racing and wagering on the races under the pari-mutuel system. The American Mule Racing Association (AMRA), which is the recognized breed registry organization for mules, recently amended its Professional AMRA Racing Rules. Among its recommendations is a rule that allows mules to race without shoes. This is contrary to Board Rule 1853, Examination Required, which states that no horse shall be eligible to start in a race if it is found to be improperly shod. In addition, Rule 1402, Controlling Authority, states the rules of the Board supersede the conditions of a race meeting and govern mule racing. In April 2007 the AMRA requested an exemption to Rule 1853 so unshod mules could run in California. The AMRA stated shoeing mules was very difficult, and usually required that the mule be tranquilized. This was problematic; as if a mule needed shoeing immediately before a race the owner/trainer would face the possibility of a drug positive. The AMRA also claimed mules prefer to run "barefoot." The waiver was discussed at the April 2007 Regular Board Meeting. The AMRA representative stated on a case-by-case basis mules were currently excused from wearing shoes, but that had caused difficulties because the history of the practice was not always passed on to new stewards or horseshoe inspectors, and AMRA representatives often had to intervene when problems occurred. At the April 2007 Regular Board Meeting staff proposed the addition of Article 10.5, Mule Racing, Rule 1747, Mule Racing Rules and Rule 1748, Shoeing Mules. The Board directed staff to notice the proposed addition of Article 10.5, Rule 1747 and Rule 1748 for a 45-day public comment period.

At the May 2007 Regular Board Meeting a temporary waiver of Rule 1853 for mules was granted the AMRA until such time as an amendment or an addition to the Board's rules could be enacted.

At the July 2007 hearing for adoption Vice-Chairman Harris objected to the requirement in Rule 1748 that the unshod condition of a mule must be printed in the program or announced. He stated if the association forgot to promulgate such information, it would be a reason for a patron who lost a wager on such mule(s) to protest. The Board agreed and staff was directed to modify the text of Rule 1748 to delete the requirement.

ANALYSIS

The Board currently promulgates Articles and regulations that are unique to harness and quarter horse racing; however, there are no regulations that address conditions specific to mule racing. While mule races may be run according to AMRA rules, those rules are superseded by the Board's regulations. The proposed addition of Article 10.5, Mule Racing, will add an Article to the Board's rules and regulations that exclusively addresses mules. The proposed addition of Rule 1747, Mule Racing Rules, will make it clear that mule races must still adhere to the Board's regulations, in general, but if there were a condition unique to mules, it would be placed under Article 10.5. The proposed addition of Rule 1748, Shoeing Mules, will allow mules to run unshod.

RECOMMENDATION

No comments were received during the 15-day public comment period. Staff recommends the Board adopt Article 10.5 and Rule 1747 and Rule 1748 as presented.

CALIFORNIA HORSE RACING BOARD
TITLE 4. CALIFORNIA CODE OF REGULATIONS
ARTICLE 10.5. MULE RACING
PROPOSED ADDITION OF
RULE 1748. SHOEING MULES

Regular Board Meeting
September 27, 2007

Single underlined text represents the original language.
Deletions to the adopted text appear as ~~Double Strikethrough~~
New and revised text appears as *Italicized Double Underlined*

1748. Shoeing Mules.

A mule that is not shod is eligible to start in a race, ~~provided the mule's "barefoot"~~
~~participation in such race is printed in the racing program or announced over the public address~~
~~system prior to the start of the race in which the mule participates.~~

Authority: Sections 19420 and 19703,
Business and Professions Code.

Reference: Section 19703,
Business and Professions Code.

Regular Board Meeting
September 27, 2007

1747. Mule Racing Rules.

The mule racing rules in this article shall apply to mule races in addition to other rules in this
division.

Authority: Sections 19440 and 19703,
Business and Professions Code.

Reference: Sections 19440 and 19703,
Business and Professions Code.

STAFF ANALYSIS
COMMISSIONERS' CONFLICT OF INTEREST ISSUES

Regular Board Meeting
September 27, 2007

BACKGROUND

Horse Racing Law, Bus. & Prof. Code section 19423 et seq., provides guidance and specifics for the conduct of commissioners relative to the industry they regulate. The State Fair Political Practices Commission oversees laws and rules governing how commissioners report their financial interests and obligations. Governor's Executive Order 66-2 establishes a code of ethical standards, which is applicable to gubernatorial appointees such as CHRB members.

ANALYSIS

During June 2007, Department of Consumer Affairs Legal and Administrative staff presented a half-day session to the CHRB Commissioners that included sections on conflict of interest and ethics – the legal framework, practical application, and continuing education demands. Subsequently, all CHRB Commissioners received copies of the draft Ethics and Conflict of Interest sections from the Commissioners' Manual. All the Commissioners have received and acknowledged their understanding of the subject contents. Board counsel revisited an earlier issue discussion package and an old Governor's Executive Order 66-2 that cover Appointee conduct. Note that the Board has had a Conflict of Interest Policy largely intact since 1981. This final draft is current relative to all demands the Commissioners are subject to: note that Horse Racing Law exempts Commissioners from the Government Code Section 19990 restrictions. Staff has accumulated and present in today's Board package relevant items and information for the Board to review, discuss, and act on prospectively.

RECOMMENDATION

This item for discussion and action.

Staff recommends the Board ratify this final draft of the CHRB Ethics and Conflict of Interest Policy.

FINAL DRAFT ETHICS AND CONFLICT OF INTEREST WITH RELATED ISSUES

The following comprise the CHRB's policy relative to Board Member Ethics and Conflicts of Interest, and shall be memorialized in the Board Member Manual, Chapter VII, as follows:

VII. ETHICAL CONSIDERATIONS, INCOMPATIBLE ACTIVITIES, CONFLICTS OF INTEREST AND THE POLITICAL REFORM ACT

7.1 The Political Reform Act of 1974

The Political Reform Act of 1974, as it governs conflicts of interest, is primarily designed to prevent persons from financially benefiting by virtue of their official position. This act requires state agencies to adopt a Conflict of Interest Code that outlines the specific responsibilities of board members and employees in that agency. (Article 20, Rule 2000 of the California Horse Racing Board's Rules and Regulations addresses the Board's Conflict of Interest Rule.) Two major aspects of the Political Reform Act included in the Conflict of Interest Code: one refers to disqualification, the other to financial disclosure. Board members have responsibilities under each of these aspects, which are separately discussed below.

7.2 Disqualification

Government Code, Section 87100, sets forth the general prohibition:

No public official at any level of state or local government shall make, participate making or in *any* way attempt to use his official position to influence a governmental decision in which he knows or has reason to know he has a financial interest. A public official has a financial interest in a decision if it is reasonably foreseeable that the decision will have a material effect, distinguishable from its effect on the public generally, on the official or on a member of his or her family relating to:

- a) Any interest valued at \$1,000 or more in a business entity or real property;
- b) Any source of income of \$250 or more promised or received within the 12-month period prior to the decision;
- c) Any business entity in which the board member is a director, officer, partner, trustee, employee or holds any position of management.

Except as specifically permitted under Horse Racing Law, as detailed in section 7.7 below, any board member who has a financial interest must disqualify himself/herself from making or attempting to use his/her official position to influence the decision. The question of whether a board member has a financial interest that would present a legal conflict of interest is a complex one and must be decided on a case-by-case review of the particular facts involved. Therefore, the following practical approach is suggested. A board member must ask himself/herself a key question: Would this decision have a financial effect on me, my family, my business, my employer or my job? If the answer is "yes", he/she should contact the Board's Deputy Attorney General or the Fair Political Practices Commission and discuss whether he/she should disqualify himself/herself from making or participating in the making of the decision.

7.3 **Financial Disclosure**

The Conflict of Interest Code also requires all board members to file annual financial disclosure statements. New board members are required to file a disclosure statement (Form 700) within 30 days after assuming office; or, if subject to Senate confirmation, 30 days after being appointed or nominated. Annual financial statements must be filed not later than April 1st of each year. A "Leaving Office Statement" must also be filed within 30 days after an affected board member or other official leaves office. Board members are not required to disclose all their financial interests. Government Code, Section 87302(b), indicates when an item is reportable:

- An investment, interest in real property or income shall be made reportable by the Conflict of Interest Code if the business entity in which the investment is held, the interest in real property, or the income or source of income may foreseeable be affected materially by any decision made or participated in by the designated employee by virtue of his or her position.

To determine what investments, interests in property or income must be reported by a board member, reference should be made to the California Horse Racing Board's Conflict of Interest Code. Questions concerning particular financial situations and related requirements should be directed to the Board's Deputy Attorney General or the Fair Political Practices commission. As most decisions by board members take place at public meetings, disqualification would be made a part of the official record of the meeting. A member would indicate his/her disqualification and disclose the nature of the financial interest and how the decision would affect that interest.

7.4 **Ethics Training: Required of all persons who are required to file and Statement of Economic Interest (Form 700).** (Gov. Code, Section 11146 et seq.)

- New Fair Political Practices Commission filers (including new board appointees) are mandated to take the ethics training within six (6) months, and thereafter every two years. (Gov. Code, Section 1146.3, subd. (b).)
- Training can be taken online on the FPPC website (www.FPPC.ca.gov) which has a link to the Attorney General's site where both an interactive and non-interactive version of the training is available. A VHS tape version is also offered.

Proof or certification of completion shall be submitted promptly to CHRB Headquarters and kept on file for the term of each Board Member.

7.5 **Governor's Executive Order 66-2 and California Horse Racing Board Policy: Incompatible Activities.** In accordance with Governor's Executive Order 66-2 and Government Code Section 19990, the following employments, activities, or enterprises are considered inconsistent, incompatible, or in conflict with the duties of all state officers and employees:

- Using the prestige or influence of the state, or the appointing authority of the officers for their private gain or advantage, or the private gain or advantage of another.
- Using state time, facilities, equipment or supplies for private gain or advantage.

- Using confidential information available by virtue of state employment for private gain or advantage, or providing confidential information to persons to whom issuance has not been authorized.
- Receiving or accepting money, or any other consideration, from anyone other than the state for the performance of his or her duties as a state officer.
- Performing an activity, in other than his or her capacity as a state officer, which is subject, directly or indirectly, to the control, inspection, review, audit, or enforcement by the officer.
- Receiving or accepting, directly or indirectly, any gift, including money or any service, gratuity, favor, entertainment, hospitality, loan or any other thing of value from any one who is doing or seeking to do business of any kind with the officer's appointing authority, or whose activities are regulated or controlled by the appointing authority, under circumstances from which it could reasonably be substantiated that the gift was intended to influence the officer in his or her official duties, or was intended as a reward for any official action performed by the officer. "Gift" means anything of value, whether tangible or intangible, for which equal or greater value is not paid. Gifts received during the reporting period aggregating \$50 or more from any source covered by the officer's disclosure category, without regard to the location of the donor must be disclosed. (Any number of gifts from one person, the values of which add up to \$50 during the calendar year, must be disclosed.)
- Subject to any other laws, rules or regulations, failing to devote his or her full time, attention, and efforts to his or her state office during his or her hours as a state officer.

7.6 California Horse Racing Law: Prohibited Interests for Commissioners, Commissioner's spouse, or any dependent child. In accordance with Bus & Prof. Code section 19423, the following are in conflict with the duties of all Commissioners:

- (a) Financial interest in any horse racing track
- (b) Financial interest or position of management with any business entity which conducts pari-mutuel horse racing; or
- (c) Financial interest in a manager or concession contract with any business entity which conducts pari-mutuel horse racing

7.7 Fair Political Practices Commission: Financial Conflict of Interest Provisions with significant exception applicable to CHRB Commissioners who are racehorse owners and breeders; public officials are prohibited from participating in decisions if:

- The outcome of the decision is sufficiently like to have an impact on the official's economic interests **and**
- If a significant portion of the public body's jurisdiction (i.e., the "public generally") does not feel the important impact on their economic interest. (Gov. Code Section 87100, 87103.)
- **But**, the Horse Racing Law creates a significant exemption for the CHRB Commissioners who are owners and breeders, providing that such commissioners

are the “public generally” for purposes of the FPPC financial conflict of interest provisions. Bus. & Prof. Code, Section 19424.5, States that no board member is disqualified from receiving a share of any purse awarded as the result of any horse race as an owner of a horse or as a breeder of a California-bred horse.

7.8 Fair Political Practices Commission: Gifts, Honoraria, Travel and Loan Limitations. A fact sheet/brochure is available from the Fair Political Practices Commission website (www.FPPC.ca.gov) captioned “*Limitations and Restrictions on Gifts, Honoraria, Travel and Loans.*”

7.9 California Administrative Procedure Act: Prohibition on bias by decision makers; Commissioners, as decision-makers in adjudicative matters coming before the CHRB:

- Must, as the adjudicators, “be separated from the investigative, prosecutorial, and advocacy functions within the agency.” (Gov. Code, Section 11425.10, subd. (a)(4).)
- Are “subject to disqualification for bias, prejudice, or interest in the proceeding.” (Gov. Code, Section 11425.10, subd. (a)(5).)
- And must avoid any ex parte communication, which is a communication regarding any issue in a pending CHRB enforcement proceeding. (Gov. Code, Section 11425.10, subd. (a)(8).)

These limitations do not attempt to specify every possible incompatible activity. Nothing in this section of the manual should be construed by any party as the sole provisions of law and administrative rules, which must be observed by each state officer, and employee of this agency. What is presented here merely forms a guide that should be carefully observed in accordance with each individual's conscience and good judgment.

STAFF ANALYSIS
2008, 2009 AND 2010 RACE DATES CALENDARS

Regular Board Meeting
September 27, 2007

BACKGROUND:

The Strategic Planning Committee (Committee) met on September 20, 2007 to discuss the allocation of race dates for 2008, 2009 and 2010. The Committee is prepared to discuss the outcome of their Committee meeting.

RECOMMENDATION:

This item is for discussion and action. Staff recommends that the Board hear from the Committee.

CALIFORNIA HORSE RACING BOARD

SEPTEMBER 27, 2007
REGULAR BOARD MEETING

There is no board package material for item 8

STAFF ANALYSIS
FEASIBILITY OF ALLOWING A HORSE
ENTERED IN A CLAIMING RACE TO BE
DECLARED INELIGIBLE TO BE CLAIMED

Regular Board Meeting
September 27, 2007

BACKGROUND

Business and Professions (B&P) Code Section 19440 provides that the Board shall have all powers necessary and proper to enable it to carry out fully and effectually the purposes of this chapter. Responsibilities of the Board shall include, but not be limited to, adopting rules and regulations for the protection of the public and the control of horse racing and pari-mutuel wagering. B&P Code Section 19562 states the Board may prescribe rules, regulations, and conditions, consistent with the provisions of this chapter, under which all horse races with wagering on their results shall be conducted in this State. B&P Code Section 19408.2 defines a claiming race as a race in which any horse entered therein may be claimed in conformity with the rules established by the Board. The Thoroughbred Owners of California (TOC) has requested that the Board consider amending its claiming rules to allow an owner to enter a horse in a claiming race with a declaration that such horse is ineligible to be claimed if the horse is returning from a lay-off of a specified number of days.

ANALYSIS

The Thoroughbred Owners of California (TOC) has requested the addition of a rule that would allow a horse owner to enter a horse in a claiming race, but declare such horse "ineligible" to be claimed if the horse has not started for a minimum of 180 days since its last race. The TOC stated many horse owners wish to give their horses time to rest, but they run the risk of such horses running for them only once after coming back. The TOC believes that horse owners who make an investment in their horses' health deserve a limited, optional protection from being claimed. One problem with this approach is that under California law, and the Board's Regulations, a claiming race is defined as a race in which any horse entered in such race is subject to being claimed. A preliminary opinion by the Board's Deputy Attorney General indicates a regulation change alone might not address the issue. However, if the Board decides to pursue the adoption of a rule to allow the proposal it will necessitate the amendment of Rule 1420(s)(3), Definitions; Rule 1651, Eligibility to Claim; and Rule 1652, Prohibited Actions with Respect to Claims.

Staff surveyed 11 racing jurisdictions regarding their claiming regulations (Arizona, Illinois, Indiana, Kentucky, Louisiana, Maryland, New Mexico, New York, Ohio, Oregon and Texas). None of the states surveyed provided an exemption to being claimed for a horse entered in a claiming race.

RECOMMENDATION

This item is presented for discussion and action by the Board.

CALIFORNIA HORSE RACING BOARD

SEPTEMBER 27, 2007
REGULAR BOARD MEETING

There is no board package material for item 10

STAFF ANALYSIS
September 27, 2007

ISSUE: APPLICATION FOR APPROVAL TO CONDUCT ADW OF CHURCHILL DOWNS TECHNOLOGY INITIATIVES COMPANY DBA TWINSPIRES.COM JANUARY 1, 2008 THROUGH DECEMBER 31, 2010 AS AN OUT-OF-STATE MULTI-JURISDICTIONAL WAGERING HUB.

Churchill Downs Technology Initiatives Company dba Twinspires.com filed its application as an out-of-state multi-jurisdictional wagering hub to provide Advance Deposit Wagering:

- January 1, 2008 through December 31, 2010, 7 days a week, 8:30 a.m. to 10:30 p.m. Pacific Standard Time with the exception of December 25th. The statutory authority for advance deposit wagering sunsets December 31, 2007. AB 765 (Evans), which recast the provisions of ADW indefinitely, is enrolled pending action from the Governor.
- Churchill Downs has a pending agreement with Bay Meadows and Golden Gate Fields. If they obtain an ADW license approval, they will begin to serve as one of their ADW providers.

Items **still needed** to complete this application:

1. Horsemen's agreement.
2. Racing Association contract.
3. Licensing of Management Personnel.

RECOMMENDATION:

Staff recommends that the application for license not be heard unless the missing information is provided.

Application is made to the CHRB for approval to conduct Advance Deposit Wagering in accordance with the California Business and Professions (B&P) Code and CHRB Rules and Regulations (Rule) and the provisions of the Interstate Horseracing Act, 15 U.S.C. 3001 to 3007.

NOTICE -- By submitting the Application the out-of-state Applicant consents to the jurisdiction of California courts and the application of California law as to all California wagers and operations.

Application must be filed not later than 90 days in advance of the date scheduled to conduct Advance Deposit Wagering and must be accompanied by a bond from a surety company admitted in the state of California or other form of financial security in the amount of \$500,000.

1. OUT-OF-STATE MULTI-JURISDICTIONAL WAGERING HUB (out-of-state Hub)

A. Name, mailing address, telephone and fax numbers:

Churchill Downs Technology Initiatives Company
800 W. El Camino Real
Mountain View, CA 94040
Phone: 650-429-2900
Fax: 650-967-3201

B. Name, title, license number and racing jurisdiction where licensed for all management personnel:

Vernon Niven, President
Mike Cody, Vice President
Brad Blackwell, Vice President, licensed in Kentucky (4641)
Rohit Thukral, Vice President
Richard Broadbent, IV, Vice President
Jeremy Clemons, Director of Marketing
Sisir Kudva, Director of Engineering
Ketan Shah, Director of Operations

C. Name, title and mailing address of the California agent for receipt of service of process:

CT Corporation System
818 West Seventh St.
Los Angeles, CA 90017

D. Attach the contract with the California racing association or fair and the required horsemen's approval under the Interstate Horseracing Act that permits you to provide Advance Deposit Wagering services and identify the amount of the market access fee to be paid to the California racing association or fair for access to the California market for wagering purposes. **Contract(s) and approval will be submitted once complete and inserted as Tab 1. Letters from Bay Meadows and Golden Gate are currently inserted under Tab 1.**

2. DATES OF OPERATION

A. Dates Advance Deposit Wagering will be conducted:
Every day except December 25.

CHRB CERTIFICATION

Application received: 9/17/07
Reviewed: *agp*

Hearing date: 9/27/07
Approval date:

- B. Hours Advance Deposit Wagering will be conducted:
8:30 to 10:30 PST

3. BUSINESS STRUCTURE

- A. ☒ Corporation (complete subsection B)
☐ LLC (complete subsection C)
☐ Other (specify, and complete subsection D)

Complete the applicable subsection

B. CORPORATION

1. Registered name of the corporation:
Churchill Downs Technology Initiatives Company
2. State where incorporated:
Delaware
3. Registry or file number for the corporation: **4284783**
4. Name of all officers and directors, titles, and number of shares of the corporation held by each:
Vernon Niven, President
Mike Cody, Vice President
Brad Blackwell, Vice President

Robert L. Evans, Director
William Carstanjen, Director
Vernon Niven, Director
Rebecca Reed, Director

No officer or Director holds any shares of Churchill Downs Technology Initiatives Company.
5. Names (true names) of all persons, **other than the officers and directors listed above**, that hold 5% or more of the outstanding shares in the corporation and the number of shares held by each: **N/A**
6. Number of outstanding shares in the corporation: **100**
7. Are the shares listed for public trading? ☐ Yes ☒ No
If yes, on what exchange and how is the stock listed:
8. Name of the custodian of the list of shareholders and/or the transfer agent for the share holdings of the corporation: **Bradley K. Blackwell**
9. If more than 50% of the shares are held by a parent corporation or are paired with any other corporation or entity, give the name of the parent and/or paired corporation or entity:
Churchill Downs Incorporated holds 100% of shares.

10. Attach the most recent annual financial statement for the corporation, including balance sheet and profit and loss statement, and a copy of a report made during the preceding 12 months to shareholders in the corporation and/or the Securities and Exchange Commission and/or the corresponding state where you registered your corporation. **Attached at TAB 2 is the most recent Annual Report on Form 10-K for Churchill Downs Incorporated.**
11. Attach a business plan to include a detailed budget that shows anticipated revenue, expenditures and cash flow by month projected for the term of the approval. **Attached at TAB 3.**

C. LLC

1. Registered name of the LLC:
2. State where articles of organization are filed:
3. Registry or file number for the LLC:
4. Names of all officers and directors, titles, and the number of shares of the LLC held by each:
5. Names (true names) of all members, **other than the officers and directors listed above**, that hold 5% or more of the outstanding shares in the LLC and the number of shares held by each:
6. Are the shares listed for public trading? ☐ Yes ☐ No
If yes, on what exchange and how is the stock listed:
7. If more than 50% of the shares are held by a parent corporation or are paired with any other corporation or entity, give the name of the parent and/or paired corporation or entity:
8. Attach the most recent annual financial statement for the LLC, including balance sheet and profit and loss statement, and a copy of a report made during the preceding 12 months to shareholders in the LLC and/or the Securities and Exchange Commission and/or the corresponding state where you registered your corporation.
9. Attach a business plan to include a detailed budget that shows anticipated revenue, expenditures and cash flow by month projected for the term of the approval.

D. OTHER

1. Name(s) of partners/sole proprietor:
2. If a partnership, attach partnership agreement.
3. Attach a business plan to include a detailed budget that shows anticipated revenue, expenditures and cash flow by month projected for the term of the approval.

4. **ESTABLISHING ADVANCE DEPOSIT WAGERING ACCOUNTS** – must comply with Rule 2074.

- A. List the procedures to establish an Account: **See Section 2.1 of the Plan of Operations (TAB 5) which complies with Rule 2074.**
- B. If an application form is used to establish an Account attach a copy of the form.

Applicant's potential customers complete an application form provided on Applicant's secure websites. A copy of such application form is attached at Tab 4.

- C. Name and address of the third party you will use to verify identity, residence and age verification:
Equifax Secure, Inc., 1550 Peachtree St. NW, Atlanta, GA 30309

5. OPERATION OF ADVANCE DEPOSIT WAGERING ACCOUNTS – must comply with Rule 2073.

- A. Submit a copy of your plan for operation. **Attached at Tab 5.**
- B. List the type of deposits you will accept: **ACH, credit card, debit card, cash at specified locations, check and money order by mail. For more details see the attached Plan of Operations.**
- C. Identify any fees or transaction-related charges and the amount that will be assessed:
4.5% on credit cards charged by service provider; \$2/month charge for accounts inactive for nine (9) months. \$25 fee for returned deposits.

6. SECURITY ACCESS

- A. Attach your security access policy and safeguards pursuant to B&P Section 19604 (c) (2). Policy must include the following:
1. Description of the technology to ensure identity, residence, and age verification when an Account is established: **Applicant utilizes Equifax, an independent third party, to provide comprehensive verification of the account information provided by customers. For a more detailed description on verification see Section 2.1.1.1 of the attached Plan of Operations (Tab 5).**
 2. Description of the technology to ensure confidentiality of the Means of Personal Identification: **See Section 2.1.5 of the attached Plan of Operations (Tab 5).**
 3. Methods and locations available for Account Holders to withdraw funds from their Account: **Requests by phone will result in a check mailed to the address on record within five (5) business days. Cash withdrawals at designated locations, currently limited to the US Bank location at Churchill Downs Racetrack in Louisville, KY. For more details see the attached Plan of Operations (Tab 5).**
 4. If the Advance Deposit Wagering records will be maintained at a site other than the out-of-state Hub provide the name, address, telephone and fax numbers and the hours of operation:
US Off-Track, 6130 NE 78th Court, Suite C4, Portland, Oregon
Telephone: 503-253-0234
Facsimile: 503-253-0140
Hours of Operation: 8:30 a.m. to 10:30 p.m. – 12:00 a.m. PST depending on the time of the last race.

7. PARI-MUTUEL

- A. Name, address and telephone number of the pari-mutuel audit firm:
PricewaterhouseCoopers LLP
500 W. Main Street, Ste. 1800
Louisville, KY 40202
- B. Type(s) of pari-mutuel or totalizator equipment to be used and the simulcast organization, name of the entity supplying equipment, and expiration date of the service contract:
Totalizator services will be provided by AmTote International, Inc. The AmTote contract originally

expired on May 31, 2005, but automatically renews for one (1) year periods until either party provides written notice of its intention not to renew the contract within sixty (60) days prior to the subject term. Applicant will provide the CHRB notice of any change in its totalizator provider.

- C. List the locations of the racing venues on which Advance Deposit Wagering will be accepted:
Please see the list of tracks attached at Tab 6.

NOTICE – The pari-mutuel system used must use a device or combination of devices authorized and operated exclusively for placing, receiving, or otherwise making a wager and by which a person must subscribe to in order to place, receive or otherwise make a wager; an effective customer and age verification system and the appropriate data security standards to prevent unauthorized access by any person who has not subscribed or who is under the age of 18.

8. CONTRACTS AND AGREEMENTS

- A. List name and address of all organizations you will contract with to facilitate Advance Deposit Wagering that are not provided in other sections of this application:
Amtote International, Inc., 11200 Pepper Road, Hunt Valley, MD 21031
US Off-Track, 10490 Gandy Blvd., St. Petersburg, FL 33702
- B. List each contract or agreement to facilitate Advance Deposit Wagering that is not finalized and signed: N/A.

9. ADVERTISING

Name and address of the advertising agency you will use:

Hoffman York
142 East Ontario, Suite 13
Chicago, IL 60611

NOTICE – Pursuant to Rule 2072 (h) all advertisements shall contain a statement that persons under 18 are not allowed to open or have access to Accounts. All advertisements shall contain contact information for a recognized problem-gambling support organization. Additionally, pursuant to B&P Section 19604 (D) (3) advertisements shall not be deceptive to the public.

10. CERTIFICATION

I hereby certify under penalty of perjury that I have examined this Application, that all of the foregoing statements in this Application are true and correct, and that I am authorized to attest to this Application.

Bradley K. Blackwell

Print Name

Vice President, Legal

Print Title

Signature

Date

9/17/07

DISCUSSION REGARDING
A UNIFORM POLICY FOR CRITERIA USED TO
DETERMINE RACES THAT ARE EXEMPT
OR
CONSIDERED DESIGNATED RACES FROM
JOCKEY SUSPENSIONS

Regular Board Meeting
September 27, 2007

BACKGROUND

A copy of Board Rule 1766, Designated Races, is attached for Board review.

CALIFORNIA HORSE RACING BOARD
TITLE 4. CALIFORNIA CODE OF REGULATIONS
ARTICLE 11. OBJECTIONS AND PROTEST; APPEALS
RULE 1766. DESIGNATED RACES

Regular Board Meeting
September 27, 2007

1766. Designated Races.

(a) The Board of Stewards appointed for a race meeting shall, immediately prior to the commencement of that meeting, designate the stakes, futurities or futurity trials or other races in which a jockey or a driver who is under suspension for ten (10) days or less for a riding or driving infraction will be permitted to compete, notwithstanding the fact that such jockey or driver is technically under suspension at the time the designated race is to be run.

(b) Official rulings for riding or driving infractions of ten (10) days or less shall state: "The term of this suspension shall not prohibit participation in designated races in California." However, the Board of Stewards may prohibit a jockey or a driver from participating in designated races if such jockey or driver has previously been suspended at least twice during the race meeting specified in subsection (a) of this rule.

(c) Prior to the commencement of a meeting, a listing of the races designated in accordance with subsection (a) of this rule shall be submitted in writing to the Board. A copy of the list of designated races shall be posted in the Jockey or Driver's Room, and any other such place deemed appropriate by the stewards.

(d) A suspended jockey or driver must be named at the time of entry to participate in any designated race.

(e) A day in which a suspended jockey or driver participates in one designated race in California shall count as a suspension day.

(f) A day in which a suspended jockey or driver participates in more than one designated race in California shall not count as a suspension day.

(g) Notwithstanding the above, a day in which a jockey or a driver participates in one or more designated races in another jurisdiction while under suspension in California shall not count as a suspension day.

CALIFORNIA HORSE RACING BOARD

SEPTEMBER 27, 2007
REGULAR BOARD MEETING

There is no board package material for item 13

STAFF ANALYSIS
STAFF REPORT ON END-OF-MEET RESULTS

REGULAR BOARD MEETING
SEPTEMBER 27, 2007

Background:

This item contains end-of-meet reports for the recently concluded race meets. Staff is prepared to answer questions regarding the information presented.

Recommendation:

These items are for information and discussion.

END-OF-MEET OUTLINE SUMMARY

Hollywood Park Spring

April 25, 2007 – July 15, 2007

Race Days: 63

AVERAGE DAILY STATISTICS

	PERCENTAGE CHANGE
Ave. Daily Handle	8.88%
Ave. On-Track	1.34%
Ave. Off-Track	-1.01%
Ave. Out-Of-State	17.30%
Ave. ADW	14.88%
Ave. Daily Attendance	-0.89%
Ave. Daily On-Track Attendance	4.80%
Ave. Daily Off-Track Attendance	-4.92%

San Joaquin County Fair

June 14, 2007 – June 24, 2007

Race Days: 9

AVERAGE DAILY STATISTICS

	PERCENTAGE CHANGE
Ave. Daily Handle	84.77%
Ave. On-Track	51.41%
Ave. Off-Track	96.81%
Ave. Out-Of-State	82.78%
Ave. ADW	72.43%
Ave. Daily Attendance	19.11%
Ave. Daily On-Track Attendance	14.22%
Ave. Daily Off-Track Attendance	25.02%

Alameda County Fair

June 27, 2007 – July 8, 2007

Race Days: 11

AVERAGE DAILY STATISTICS

	PERCENTAGE CHANGE
Ave. Daily Handle	9.59%
Ave. On-Track	10.93%
Ave. Off-Track	7.21%
Ave. Out-Of-State	3.92%
Ave. ADW	29.96%
Ave. Daily Attendance	0.16%
Ave. Daily On-Track Attendance	1.09%
Ave. Daily Off-Track Attendance	-0.87%

Sonoma Solano Wine Country Racing

July 11, 2007 – August 6, 2007

Race Days: 23

AVERAGE DAILY STATISTICS

	PERCENTAGE CHANGE
Ave. Daily Handle	10.95%
Ave. On-Track	3.05%
Ave. Off-Track	6.44%
Ave. Out-Of-State	14.87%
Ave. ADW	26.47%
Ave. Daily Attendance	-1.02%
Ave. Daily On-Track Attendance	-0.41%
Ave. Daily Off-Track Attendance	-1.58%

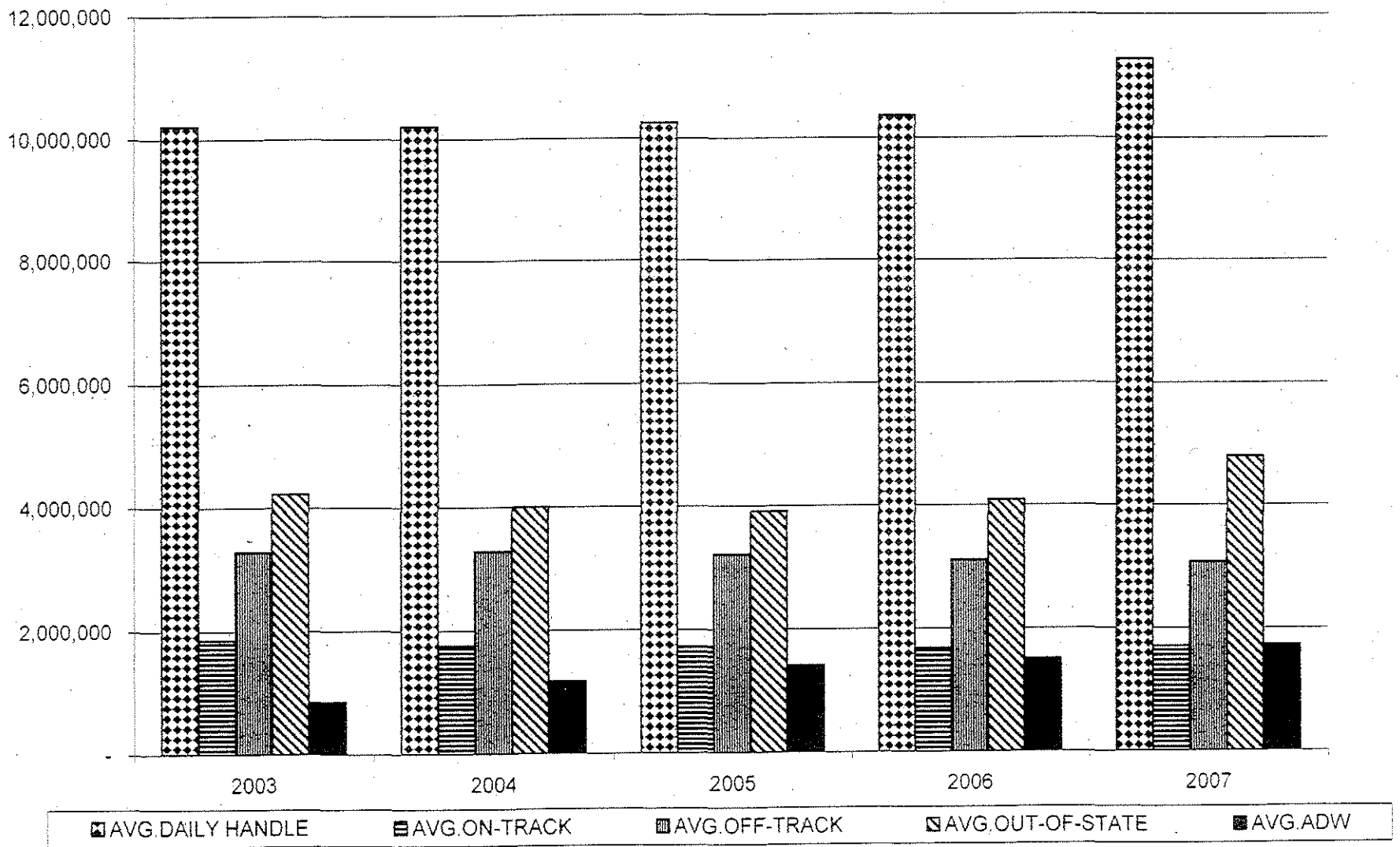
HOLLYWOOD PARK

YEAR	2003	2004	2005	2006	2007
TOTAL DAYS	65	65	64	61	63
TOTAL HANDLE	663,272,662	662,871,626	655,750,992	631,955,072	710,627,376
ON-TRACK	120,433,415	113,796,028	110,118,152	102,179,181	106,948,665
OFF-TRACK	213,261,776	213,326,568	205,553,606	189,560,274	193,802,210
OUT-OF-STATE	274,740,167	259,792,380	250,083,276	248,931,572	301,573,284
ADW	54,837,304	75,956,651	89,995,959	91,284,045	108,303,217
LIVE	513,054,594	512,490,379	504,031,443	489,604,077	568,438,136
OUT-OF-ZONE IMPORTED	58,332,995	58,475,116	51,682,930	46,085,284	44,228,982
INTER-STATE IMPORTED	91,885,073	93,906,131	86,157,772	82,343,353	81,349,857
INTERNATIONAL IMPORTED	-	-	13,878,847	13,922,358	16,610,402
AVERAGE DAILY HANDLE	10,204,195	10,198,025	10,246,109	10,359,919	11,279,800
AVERAGE ON-TRACK	1,852,822	1,750,708	1,720,596	1,675,069	1,697,598
AVERAGE OFF-TRACK	3,280,950	3,281,947	3,211,775	3,107,545	3,076,226
AVERAGE OUT-OF-STATE	4,226,772	3,996,806	3,907,551	4,080,845	4,786,878
AVERAGE ADW	843,651	1,168,564	1,406,187	1,496,460	1,719,099
AVERAGE CALIFORNIA HANDLE	5,133,772	5,032,655	4,932,371	4,782,614	4,773,823
AVERAGE LIVE	7,893,148	7,884,467	7,875,491	8,026,296	9,022,828
AVERAGE OUT-OF-ZONE IMPORTED	897,431	868,848	807,546	755,496	702,047
AVERAGE INTERSTATE IMPORTED	1,413,617	1,444,710	1,346,215	1,349,891	1,291,268
AVERAGE INTERNATIONAL IMPORTED	-	-	216,857	228,235	263,657
TOTAL TAKEOUT	125,477,110	128,811,694	127,165,483	123,865,684	139,655,926
EFFECTIVE TAKEOUT	18.92%	19.43%	19.39%	19.60%	19.65%
STATE LICENSE FEES	7,760,408	7,616,045	7,200,320	6,697,435	7,100,619
STATE %	1.17%	1.15%	1.10%	1.06%	1.00%
TRACK COMMISSIONS	23,089,750	22,583,278	21,960,729	20,645,199	22,048,213
ADW COMMISSIONS	2,095,367	3,232,465	3,852,178	4,241,061	4,383,143
TOTAL COMMISSIONS	25,185,117	25,815,742	25,812,908	24,886,260	26,431,356
TRACK %	3.80%	3.89%	3.94%	3.94%	3.72%
HORSEMENS PURSES	22,647,298	22,147,572	21,558,296	20,239,330	21,632,952
ADW PURSES	2,045,598	3,162,571	3,768,984	4,153,970	4,288,380
TOTAL PURSES	24,692,896	25,310,143	25,327,279	24,393,300	25,921,332
HORSEMENS %	3.72%	3.82%	3.86%	3.86%	3.65%

HOLLYWOOD PARK

YEAR	2003	2004	2005	2006	2007
TOTAL DAYS	65	65	64	61	63
CALIFORNIA ATTENDANCE	1,221,782	1,185,404	1,085,427	905,136	926,455
ON-TRACK	552,396	542,595	497,465	375,027	405,922
OFF-TRACK	669,386	642,809	587,962	530,109	520,533
DAILY ATTENDANCE	18,797	18,237	16,960	14,838	14,706
AVERAGE DAILY ON - TRACK	8,498	8,348	7,773	6,148	6,443
AVERAGE DAILY OFF - TRACK	10,298	9,889	9,187	8,690	8,262
TOTAL RACE EVENTS	558	558	551	531	544
TOTAL STARTERS	4,293	4,461	4,266	4,304	4,428
AVERAGE STARTERS PER EVENT	7.7	8.0	7.7	8.1	8.1
AVERAGE HANDLE PER START	119,510	114,882	118,151	113,756	128,374

HOLLYWOOD PARK



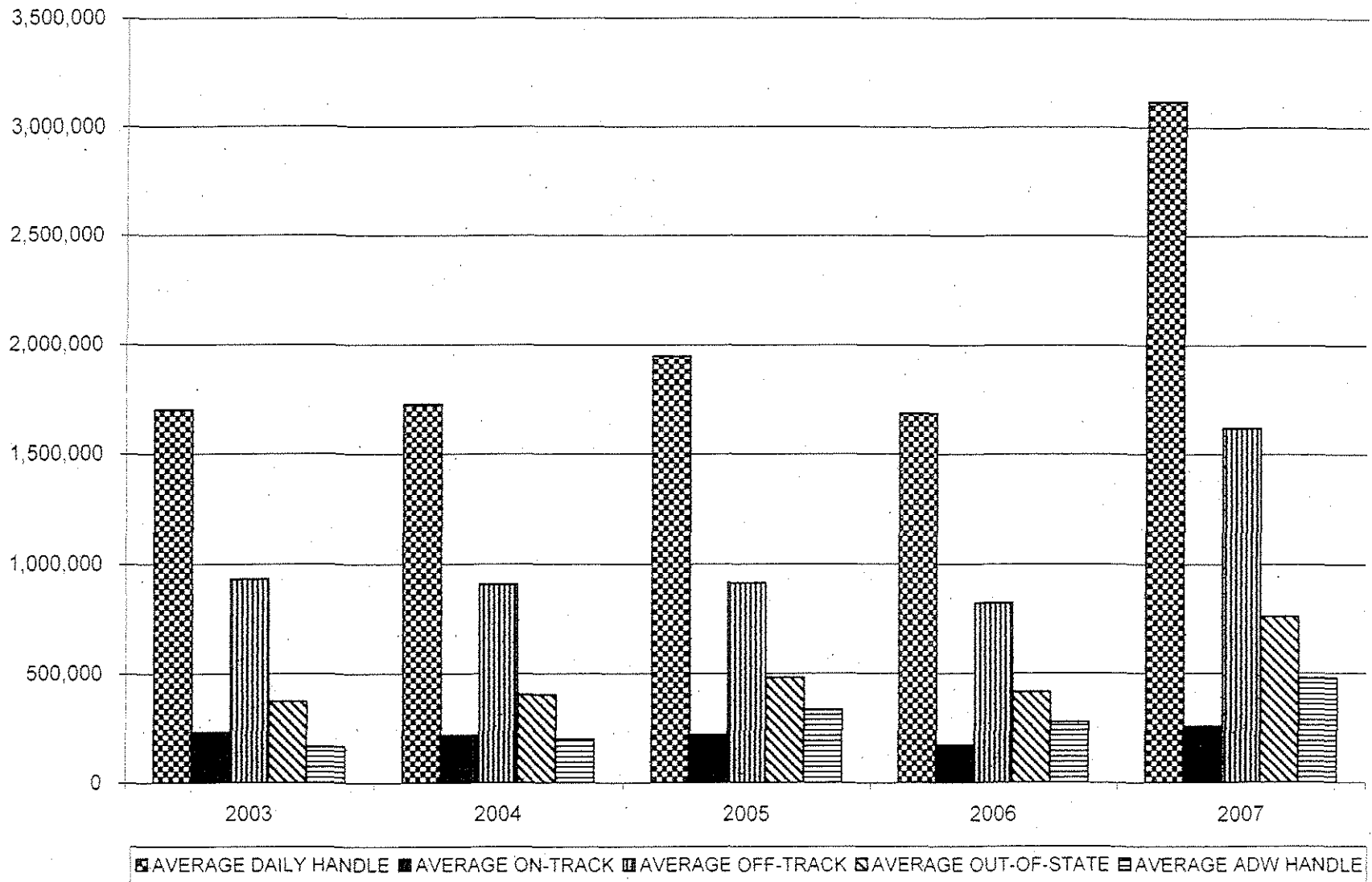
SAN JOAQUIN FAIR

YEAR	2003	2004	2005	2006	2007
TOTAL RACE DAYS	10	10	10	10	9
TOTAL HANDLE	17,014,231	17,272,082	19,454,424	16,852,770	28,024,627
ON-TRACK	2,297,774	2,149,393	2,181,189	1,698,840	2,315,036
OFF-TRACK	9,311,621	9,074,078	9,122,115	8,225,410	14,569,853
OUT-OF-STATE	3,741,643	4,051,463	4,805,207	4,159,595	6,842,648
ADW	1,663,193	1,997,147	3,345,914	2,768,924	4,297,091
LIVE	10,890,203	11,295,946	13,319,292	10,859,907	15,855,476
OUT-OF-ZONE IMPORTED	2,949,164	2,968,321	2,599,965	2,523,949	4,671,800
INTERSTATE IMPORTED	3,174,864	3,007,815	2,775,135	2,620,616	5,518,238
INTERNATIONAL IMPORTED	0	0	760,032	848,298	1,979,114
AVERAGE DAILY HANDLE	1,701,423	1,727,208	1,945,442	1,685,277	3,113,847
AVERAGE ON-TRACK	229,777	214,939	218,119	169,884	257,226
AVERAGE OFF-TRACK	931,162	907,408	912,211	822,541	1,618,873
AVERAGE OUT-OF-STATE	374,164	405,146	480,521	415,960	760,294
AVERAGE ADW HANDLE	166,319	199,715	334,591	276,892	477,455
AVERAGE LIVE	1,089,020	1,129,595	1,331,929	1,085,991	1,761,720
AVERAGE OUT-OF-ZONE IMPORTED	294,916	296,832	259,997	252,395	519,089
AVERAGE INTERSTATE IMPORTED	317,486	300,782	277,513	262,062	613,138
AVERAGE INTERNATIONAL IMPORTED	0	0	76,003	84,830	219,902
TOTAL TAKEOUT	3,078,325	3,504,348	3,953,700	3,422,004	5,634,575
EFFECTIVE TAKEOUT	18.09%	20.29%	20.32%	20.31%	20.11%
STATE LICENSE FEES	181,230	176,811	178,840	151,748	236,764
STATE %	1.07%	1.02%	0.92%	0.90%	0.84%
TRACK COMMISSIONS	569,601	562,443	606,513	463,971	785,439
ADW COMMISSIONS	75,152	90,178	155,511	146,575	210,810
TOTAL COMMISSIONS	644,753	652,621	762,024	610,546	996,250
TRACK %	3.35%	3.26%	3.12%	2.75%	2.80%
HORSEMEN'S PURSES	576,015	568,087	612,638	504,061	785,269
ADW PURSES	75,886	91,215	157,188	148,208	212,366
TOTAL PURSES	651,901	659,302	769,826	652,269	997,635
HORSEMEN'S %	3.39%	3.29%	3.15%	2.99%	2.80%

SAN JOAQUIN FAIR

YEAR	2003	2004	2005	2006	2007
CALIFORNIA ATTENDANCE	86,393	83,229	82,036	72,144	77,340
ON-TRACK	45,079	45,145	45,338	39,466	40,570
OFF-TRACK	41,314	38,084	36,698	32,678	36,770
AVERAGE DAILY ATTENDANCE	8,639	8,323	8,204	7,214	8,593
AVERAGE DAILY ON - TRACK	4,508	4,515	4,534	3,947	4,508
AVERAGE DAILY OFF - TRACK	4,131	3,808	3,670	3,268	4,086
TOTAL RACE EVENTS	104	104	102	92	94
STARTS	846	797	755	632	714
AVERAGE STARTS PER EVENT	8.1	7.7	7.4	6.9	7.6
AVERAGE HANDLE PER START	12,873	14,173	17,641	17,183	22,207

SAN JOAQUIN FAIR



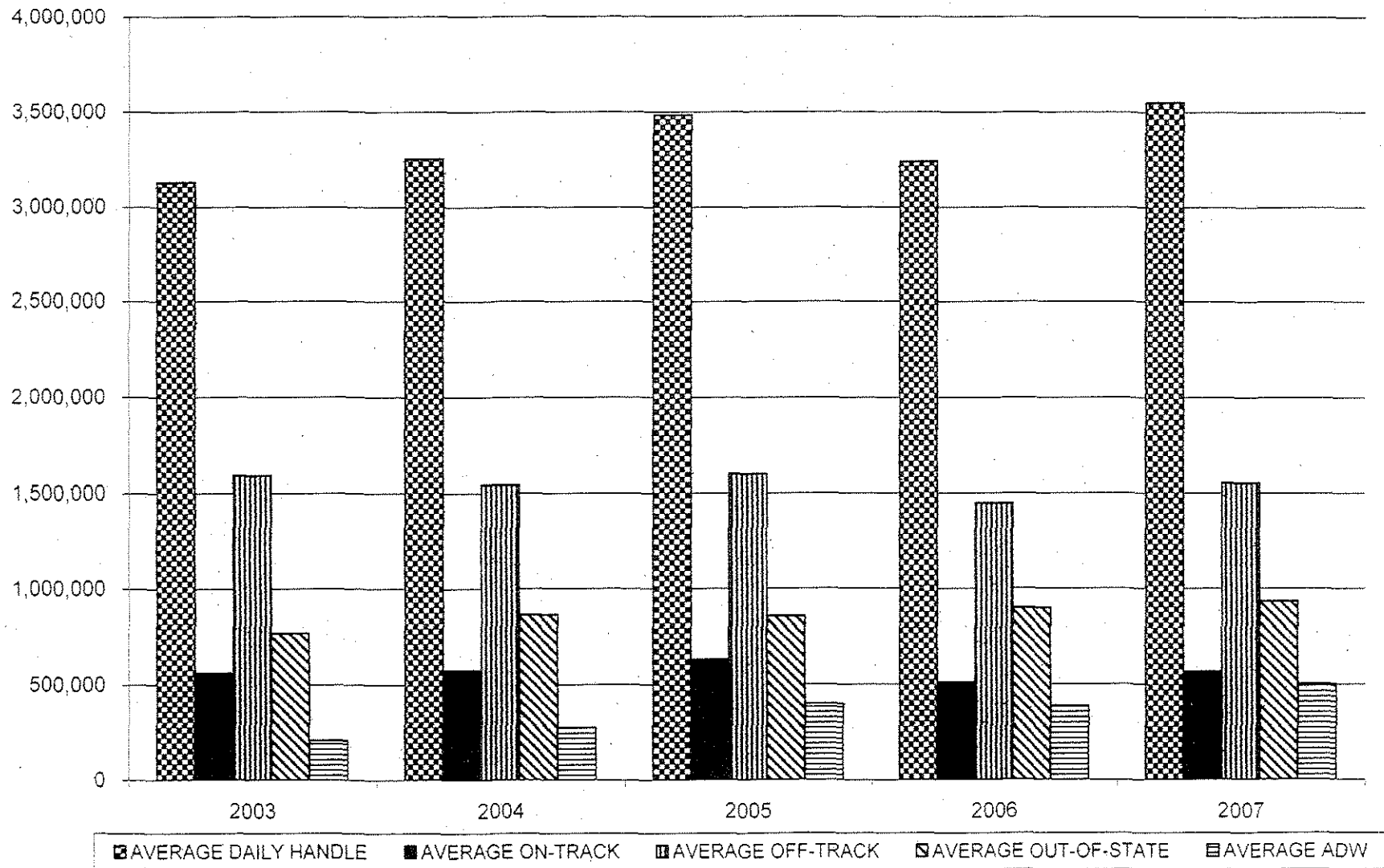
ALAMEDA COUNTY FAIR

YEAR	2003	2004	2005	2006	2007
TOTAL RACE DAYS	11	11	11	11	11
TOTAL HANDLE	34,419,955	35,782,995	38,317,137	35,624,198	39,039,011
ON-TRACK	6,134,946	6,298,354	6,905,586	5,576,048	6,185,717
OFF-TRACK	17,519,030	16,964,061	17,612,934	15,929,441	17,077,166
OUT-OF-STATE	8,474,107	9,513,928	9,416,580	9,879,553	10,266,872
ADW	2,291,873	3,006,652	4,382,038	4,239,157	5,509,256
LIVE	20,045,504	21,870,024	22,937,877	21,961,445	23,606,252
OUT-OF-ZONE IMPORTED	7,293,359	6,632,560	7,179,085	5,962,929	7,234,067
INTERSTATE IMPORTED	7,081,093	7,280,411	6,497,195	6,051,342	6,106,627
INTERNATIONAL IMPORTED	0	0	1,702,980	1,648,482	2,092,066
AVERAGE DAILY HANDLE	3,129,087	3,253,000	3,483,376	3,238,563	3,549,001
AVERAGE ON-TRACK	557,722	572,578	627,781	506,913	562,338
AVERAGE OFF-TRACK	1,592,639	1,542,187	1,601,176	1,448,131	1,552,470
AVERAGE OUT-OF-STATE	770,373	864,903	856,053	898,141	933,352
AVERAGE ADW	208,352	273,332	398,367	385,378	500,841
AVERAGE LIVE	1,822,319	1,988,184	2,240,078	2,146,357	2,336,211
AVERAGE OUT-OF-ZONE IMPORTED	663,033	602,960	652,644	542,084	657,642
AVERAGE INTERSTATE IMPORTED	643,736	661,856	590,654	550,122	555,148
AVERAGE INTERNATIONAL IMPORTED	0	0	154,816	149,862	190,188
TOTAL TAKEOUT	6,884,133	7,253,774	7,756,627	7,232,063	7,898,559
EFFECTIVE TAKEOUT	20.00%	20.27%	20.24%	20.30%	20.23%
STATE LICENSE FEES	352,091	353,000	360,827	321,459	342,417
STATE %	1.02%	0.99%	0.94%	0.90%	0.88%
TRACK COMMISSIONS	1,166,137	1,205,405	1,299,429	1,112,241	1,184,682
ADW COMMISSIONS	103,886	134,984	199,872	216,559	265,183
TOTAL COMMISSIONS	1,270,023	1,340,389	1,499,301	1,328,800	1,449,865
TRACK %	3.69%	3.75%	3.91%	3.73%	3.71%
HORSEMEN'S PURSES	1,180,660	1,221,859	1,317,666	1,125,047	1,197,423
ADW PURSES	105,325	136,637	202,789	219,771	268,494
TOTAL PURSES	1,285,985	1,358,496	1,520,455	1,344,818	1,465,916
HORSEMEN'S %	3.74%	3.80%	3.97%	3.78%	3.76%

ALAMEDA COUNTY FAIR

YEAR	2003	2004	2005	2006	2007
CAIFORNIA ATTENDANCE	83,850	97,447	103,892	91,802	91,952
ON-TRACK	33,926	48,112	57,262	48,343	48,870
OFF-TRACK	49,924	49,335	46,630	43,459	43,082
DAILY ATTENDANCE	7,623	8,859	9,445	8,346	8,359
AVERAGE DAILY ON - TRACK	3,084	4,374	5,206	4,395	4,443
AVERAGE DAILY OFF - TRACK	4,539	4,485	4,239	3,951	3,917
TOTAL RACE EVENTS	120	120	120	120	121
STARTS	927	916	896	848	868
AVERAGE STARTS PER EVENT	7.7	7.6	7.5	7.1	7.2
AVERAGE HANDLE PER START	21,624	23,876	25,600	25,898	27,196

ALAMEDA COUNTY FAIR



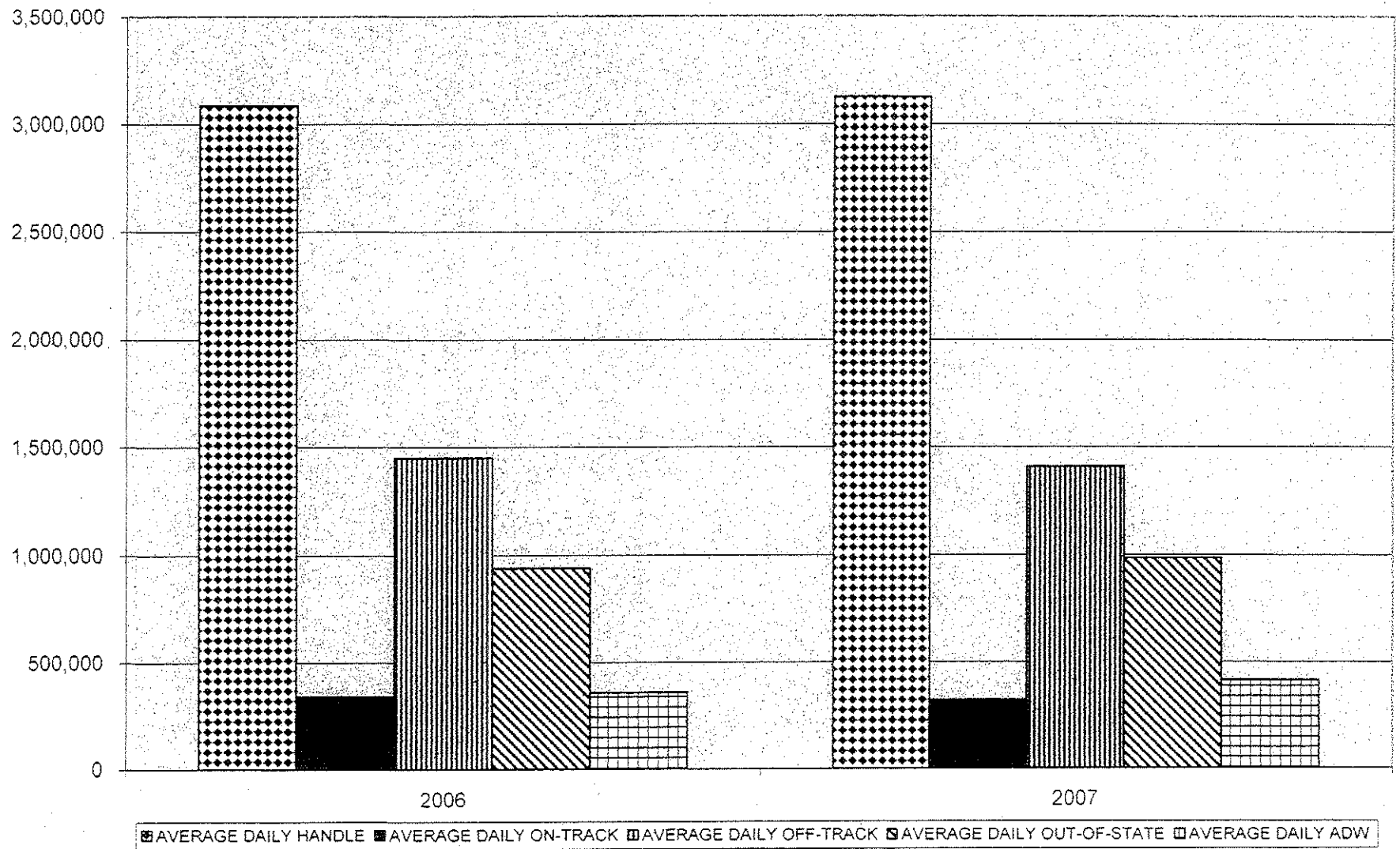
WINE COUNTRY RACING

YEAR	2006	2007
TOTAL RACE DAYS	23	23
TOTAL HANDLE	70,954,806	71,881,693
ON-TRACK	7,787,240	7,326,924
OFF-TRACK	33,332,553	32,393,559
OUT-OF-STATE	21,610,102	22,663,989
ADW	8,224,911	9,497,221
LIVE	44,570,693	45,754,634
OUT-OF-ZONE	12,770,539	11,994,791
INTERSTATE IMPORTED	10,615,982	10,308,697
INTERNATIONAL IMPORTED	2,997,592	3,823,571
AVERAGE DAILY HANDLE	3,084,992	3,125,291
AVERAGE DAILY ON-TRACK	338,576	318,562
AVERAGE DAILY OFF-TRACK	1,449,241	1,408,416
AVERAGE DAILY OUT-OF-STATE	939,570	985,391
AVERAGE DAILY ADW	357,605	412,923
AVERAGE DAILY LIVE	1,937,856	1,989,332
AVG. DAILY OUT-OF-ZONE IMPORTED	555,241	521,513
AVG. DAILY INTERSTATE IMPORTED	461,564	448,204
AVG. INTERNATIONAL IMPORTED	130,330	166,242
TOTAL TAKEOUT	14,467,212	14,736,126
EFFECTIVE TAKEOUT	20.39%	20.50%
STATE LICENSE FEES	619,212	601,002
STATE %	0.87%	0.84%
TRACK COMMISSIONS	2,146,406	2,081,614
ADW COMMISSIONS	385,055	444,410
TOTAL COMMISSIONS	2,531,461	2,526,024
TRACK %	3.57%	3.51%
HORSEMEN'S PURSES	2,159,252	2,093,241
ADW PURSES	387,967	448,597
TOTAL PURSES	2,547,219	2,541,838
HORSEMEN'S %	3.59%	3.54%

WINE COUNTRY RACING

YEAR	2006	2007
CALIFORNIA ATTENDANCE	160,227	144,807
ON-TRACK	77,660	70,613
OFF-TRACK	82,567	74,194
DAILY ATTENDANCE	6,966	6,296
AVERAGE DAILY ON - TRACK	3,377	3,070
AVERAGE DAILY OFF - TRACK	3,590	3,226
TOTAL RACE EVENTS	257	243
TOTAL RUNNERS	1,872	1,861
AVERAGE RUNNERS PER EVENT	7.3	7.7
AVERAGE HANDLE PER START	23,809	24,586

WINE COUNTRY RACING



2006 figures represent combined stats for Solano and Sonoma County Fairs through CHRIMS

CALIFORNIA HORSE RACING BOARD

SEPTEMBER 27, 2007
REGULAR BOARD MEETING

There is no board package material for item 15